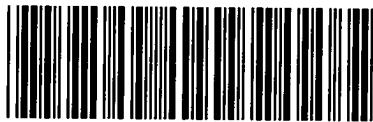


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Twickenham Primary School
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Period ended 31 August 2014

Company Number : 08601624

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Feltons
Chartered Accountants

Birmingham
B1 3JR

Twickenham Primary School

(A Company Limited by Guarantee)

Report and financial statements Period ended 31 August 2014

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Twickenham Primary School
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Reference and Administrative Details

Members	Mrs T Hall Mrs E Nixon Mr C Taylor	director (appointed 01/01/14) director (appointed 01/01/14) (resigned 30/11/14) director (appointed 01/01/14)
Trustees	Mrs S Annakie Miss C Brandon Mr A Drummond Mrs T Hall Mrs P Hepburn Mrs V Meakin Mrs H Mortiboy Mrs E Nixon Mr F Smith Mr K Smith Mr C Taylor Mr J Taylor Mrs S Tomlinson Miss F Weddle	parent trustee (appointed 01/01/14) * parent trustee (appointed 18/09/14) * staff trustee (appointed 01/01/14) * director (appointed 09/07/13) * local authority trustee (appointed 01/01/14) staff trustee (appointed 01/01/14) (resigned 21/09/14) * staff trustee (appointed 01/01/14) * director (appointed 09/07/13) (resigned 30/11/14) community trustee (appointed 01/01/14) (resigned 20/11/14) * parent trustee (appointed 01/01/14) (resigned 03/10/14) * director (appointed 09/07/13) * staff trustee (appointed 01/01/14) (resigned 31/08/14) parent trustee (appointed 01/01/14) (resigned 25/11/14) local authority trustee (appointed 01/01/14) * members of finance committee
Senior management team	Principal Vice Principal Vice Principal	Mrs H Mortiboy Mr A Drummond Mr J Taylor
Responsible Officer		DRB Financial Management Services
Principal and registered office		Helen Mortiboy Twickenham Primary School Twickenham Road Birmingham B44 0NR
Company registration number		08601624
Independent auditor		Feltons 8 Sovereign Court 8 Graham Street Birmingham B1 3JR
Bankers		Lloyds Bank PLC 22a Great Hampton Street Hockley Birmingham B18 6AH

Twickenham Primary School
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Trustees' report

The trustees present their first annual report together with the financial statements and auditors' report of the charitable company for the period ended 31 August 2014. The annual report serves the purposes of both a trustee's report and a directors' report under company law.

Twickenham Primary School provides education for pupils of different abilities between the ages of 4 and 11. Our pupils are drawn from families living within the local area in accordance with our published admission criteria. It has a pupil capacity of 472 and had a roll of 471 in the school census on October 2013.

Conversion to academy trust

Twickenham Primary School incorporated at Companies House on 9 July 2013. The signed Commercial Transfer Agreement was dated 31 December 2013, for an academy conversion date of 1 January 2014.

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 are the directors of the Charitable Company for the purposes of company law. Members of the Governing Body are delegated responsibility by the trustees for the charitable activities of Twickenham Primary School.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

The Academy Trust purchases indemnity insurance to cover the liability of the trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust; provided that any insurance shall not extend to any claim arising from any act or omission which the trustees knew to be a breach of trust or breach of duty or which was committed by the trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the trustees in their capacity as directors of the Academy Trust.

Twickenham Primary School
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Trustees' report (continued)

Method of Recruitment and Appointment or Election of Trustees

The Academy Trust's governing documents require that the Trust shall have the following trustees:

- a) The Principal
- b) 1 staff trustee
- c) Up to 2 parent trustees
- d) Up to 1 appointed trustee

The Principal is an ex-officio Trustee. Parent trustees and staff trustees are appointed following an election. Appointed trustees are taken from the local community or local authority.

Policies and Procedures Adopted for the Induction and Training of Trustees

Since the present Governing Body has only been in place since 1st January 2014, there has been a package of trustee training devised. The academy purchases support from the Birmingham School and Governor Support at Birmingham LA. This all enhances and supports the in-house induction and training programme. Courses and training are also offered by Birmingham LA and other training providers and the Clerk informs each trustee about these.

Trustees are kept up to date with their legislative obligations and best practice through the above support services and by the Clerk to the Trustee Body.

Organisational Structure

The Trustee Body is responsible for all major decisions about the Academy. The Trustee Body is responsible for setting all policies covering Personnel, Health & Safety, Curriculum and Financial aspects of the work of the Academy and monitors this.

The full Trustee Body meets at least once a term. The work of the Trustee Body is delegated to sub committees that are formerly constituted with terms of reference, namely:

- Finance Committee (Inc. Buildings and Staffing)
- Curriculum & Standards Committee

The sub committees meet at least termly and the Chairs of these committees report back to the full Trustee Body meetings. Other committees meet when required and include disciplinary and salary determination.

The day to day management of the academy is delegated by the Trustee Body to the Principal who is supported by the Senior Leadership Team which comprises: Principal, Vice Principal and the Principal is the Accounting Officer.

The Trustee Body receives regular reports from the Senior Leadership Team, including budget allocation and expenditure and other data updates including teaching and learning and achievement and standards. The levels of authorisation of budget spend are detailed in the 'Principal Delegation Statement' reviewed annually by the Trustee Body.

Twickenham Primary School
(A Company Limited by Guarantee)

Trustees' report (continued)

The initial School Improvement Plan is drawn up by the Principal working with the Senior Leadership Team. The draft plan is reviewed and approved by the full Trustee Body. The Curriculum Committee reviews the progress of the plan as part of their regular work. The Finance Committee reviews the environmental and building part of the School Development Plan.

As a primary school, a high percentage of the academy's expenditure relates to staffing. The Staffing Structure is determined by the Trustee Body working with the Principal.

The School Improvement Plan and the staffing structure then informs the Academy budget.

Connected Organisations, including Related Party Relationships

The Academy Trust works with many school networks both within the Birmingham LA school-to-school networks via the Boldmere teaching school alliance, and Consortium to further the principal activities of the Academy.

There are no other related parties which either control or significantly influence the decisions and operations of Twickenham Primary School.

Objectives and Activities

Objects and Aims

The principal object and activity of the charitable company is the operation of Twickenham Primary School to provide education and care for pupils of different abilities between the ages of 3 and 11.

In accordance with the Articles of Association the charitable company has adopted a Funding Agreement approved by the Secretary of State for Education. The Funding Agreement specifies, amongst other things:

- that the school has a curriculum satisfying the requirements of section 78 of EA 2002 (balanced and broadly based curriculum) including English, mathematics and science;
- the school shall make Provision for the teaching of religious education and provide a daily act of collective worship;
- that it provides education for pupils of different abilities;
- it also provides education for pupils who live within the area of the school

The Vision Statement of Twickenham Primary School is our Mission statement, as below –

Twickenham Primary School is a place for outstanding academic excellence. We encourage a consensus of kindness and respect because we believe that it is only possible to achieve your true potential if you feel valued. Our school motto 'Be all you can be' is the basis of everything that we do.

We are a school where independence is celebrated and individuals can flourish in a productive and secure atmosphere. Our school has a tradition of celebrating and sharing success in everything that we do.

We expect every child to attain the highest levels of academic achievement and believe all our children can be extremely successful learners.

All pupils feel cared for because we provide a setting where every individual feels respected, valued and safe.

Twickenham Primary School
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Trustees' report (continued)

All members of the school community, including parents and visitors, work together as a team to act responsibly, show courtesy, respect diversity and promote positive behaviour.

The Aims of the academy during the period ended 31 August 2014 are summarised below –

Twickenham School aims to provide a safe, caring, happy and stimulating working environment based upon the partnership of children, parents and teachers in an atmosphere of personal respect and mutual understanding.

In everyday practice, this means:

Adults and pupils will:

- Address adults with their professional title, or Sir/Miss
- Use honesty, but be mindful of other people's feelings
- Use direct language, not sarcasm in classrooms
- Say please and thank you
- Open doors for other people or offer help carrying heavy loads
- Help to keep our school clean and tidy
- Admit mistakes and learn from them
- Not raise voices in anger
- Compromise
- Say sorry when it is needed
- Value positive behaviour by rewarding kindness, respect and responsible actions
- Explain why we are upset and what can be done to help us feel better "When you.....it makes me feel.....because..."
- Listen to each other when we are upset or frustrated, so that a quick solution can be found that meets everyone's needs.

Twickenham aims to provide equal access for all pupils to the curriculum. The school provide progression and continuity in the process of learning within a rich, broad and balanced set of learning experiences. We will teach the Early Years Foundation Stage and National Curriculum using Twickenham's schemes of work and policies which provide maximum relevance to our children and incorporate practical activities, investigation and outdoor learning. We aim to develop high standards of behaviour and the promotion of respect for others, school property, materials, equipment and the environment.

We endeavour, through positive rewards, to encourage self-discipline along with a sense of honesty and 'knowing right from wrong'. Children are encouraged to ask moral questions, through our programme of Philosophy for Children.

We aim to provide a wide range of extra-curricular activities inside and outside school, which will help our children to develop friendly, respectful and co-operative relationships.

Staff aim, through our organised and well-resourced curriculum, to develop a sense of awe and wonder about life and the world. Through studying Christianity and other faiths, we aim that all children will be more aware, knowledgeable and tolerant and show respect to the faith and belief of others. Through the school's ethos, we aim to create a sense of individual purpose, value and meaning.

Our curriculum aims to develop, in each pupil, a sense of cultural heritage and belonging in British society. We take full account of the rich, cultural diversity within the community to enhance pupil's cultural development, as well as celebrating what it means to be a British citizen.

Twickenham Primary School
(A Company Limited by Guarantee)

Trustees' report (continued)

Objectives, Strategies and Activities

The Academy's Self Evaluation identified specific School Development focuses for this year including the following:

- Focusing on high quality teaching and learning in English and Math's, with particular emphasis on spelling, grammar and punctuation
- Develop a new Curriculum suitable for life in the 21st century
- Adopt a sense of inclusion for all, based on kindness and respect

Public Benefit

The Academy is mindful of the guidance on Public Benefit issues by the Charity Commission, and the requirements to comply with current legalisation. The Academy will continue to provide education to children that:

- Is balanced and broadly based;
- Provides the spiritual, moral, cultural, mental and physical development of students at the Academy;
- Prepares students for the opportunities, responsibilities and experiences of later life;
- Promotes, sustains and increase individual and collective knowledge and understanding of study, skills and expertise

Twickenham Primary School
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Trustees' report (continued)

Strategic Report

Achievements and Performance

Key Performance Indicators

Our key achievements in 2014 with comparatives to previous years and national benchmarks are as follows:

EYFS

Area of Learning	2013 expected or above	2014 Expected or above
Communication and Language	42%	53%
Physical Development	85%	82%
Personal, Social, and Emotional Development	63%	72%
Literacy	59%	66%
Mathematics	61%	69%
GLD (Good Level of Development)	42%	53%

KS1

3 Year attainment

2B+	2011	2012	2013
Reading:	67%	73%	82%
Writing:	60%	61%	73%
Maths:	76%	78%	85%

Level 3	2011	2012	2013
Reading:	9%	19%	20%
Writing:	2%	3%	13%
Maths:	5%	14%	20%

Progress 2012/2013 from entry into KS1

2012/2013	All Children		Pupil Premium	
	Expected Progress	Accelerated Progress	Expected Progress	Accelerated Progress
Reading	96%	86%	98%	93%
Maths	100%	82%	100%	86%
Writing	100%	86%	100%	89%

Twickenham Primary School
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Trustees' report (continued)

KS2

2012/2013	All Children		Pupil Premium	
	2 Levels Progress	3 Levels Progress	2 Levels Progress	3 Levels Progress
Reading	100%	75%	100%	78%
Maths	100%	59%	100%	59%
Writing	100%	49%	100%	47%

APS 2012/2013

	Pupil Premium	Non Pupil Premium
Reading	31.9	29.2
Writing	27.8	28.3
Maths	30.3	29.5
SPAG	31.3	28.8

	Boys		Girls	
	School	National Average	School	National Average
Reading	31.8	28.1	32.4	29
Maths	30.5	28.9	30.9	28.5
Writing	27.4	26.6	29.1	28.4
SPAG	28.4	27.3	30.3	28.8

School data clearly shows children enter the school well below the national average, however leave the school well above the national average. This constitutes outstanding progress and outstanding value for money.

Pupil numbers

Pupil numbers are currently.

Year Group	Number on roll	Waiting list of
R	61	4
1	58	0
2	59	0
3	62	5
4	61	6
5	59	0
6	59	0

Going Concern

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

Twickenham Primary School
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Trustees' report (continued)

Financial Review

The main sources of income for the Academy are grants from the Department of Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2014 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also receives grants for capital expenditure from the DfE. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned as defined in the Academy's accounting policies.

During the period ended 31 August 2014, total expenditure of £1,524,404 was covered by recurrent grant funding from the DfE together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds) was £764,594. These figures exclude the deficit on the Local Government Pension Scheme (see note 24 to the accounts)

At 31 August 2014 the net book value of fixed assets was £3,537,339 and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Academy is holding a surplus at 31 August 2014 of £3,026,933.

This comprises:

Unrestricted Funds surplus from the local authority transferred on conversion of £418,821

Unrestricted Funds surplus from bank accounts transferred on conversion of £20,001

Restricted Funds surplus of £297,655

Unrestricted Funds generated during the period less resources expended of £10,117

Restricted Fixed Assets Funds of £3,537,339

£1,257,000 is the deficit on the defined benefit pension scheme.

The Finance Committee has reviewed these reserves and believes they are adequate to provide sufficient working capital for the Academy to continue to operate within its financial resources, and to cover unexpected urgent work.

Investment Policy

The Trustee Body is responsible for setting investment policy. In the current economic climate of reducing income, with low interest rates, and in view of the capital projects undertaken by the Academy, funds have been held in the Academy's second current account (Santander).

Twickenham Primary School
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Trustees' report (continued)

Financial and Risk Management Objectives

The Academy's financial objectives are to manage its affairs to support the achievement of the overall strategic objectives as set out in the Academy Improvement and Development Plans. This covers both short terms and long term planning, and involves managing revenues, costs, assets, liabilities, opportunities and risk to ensure the Academy remains in a good financial position to deliver its planned activities

Principal Risks and Uncertainties

The trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the operational areas of the site and facilities, of teaching and the finances. The trustees have implemented a system to assess risks that the school faces, especially in the operational areas which includes teaching, health and safety and in relation to the control of finance. The trustees have introduced systems, including operational procedures and internal financial controls, in order to minimise risk.

The principal financial risk facing the Academy is that funding is dependent upon pupil numbers. Pupil numbers are currently healthy, but Governors are aware that, in the long term, it may face falling rolls due to low local birth rate or be affected by the reputation of the school. Governors do not currently consider these to be a high risk. The Academy's future funding is also dependent upon Government Policy for Education. The impact on Twickenham Primary School of any review of Schools' Funding will be assessed accordingly.

The Local Government Pension Scheme, a defined benefit scheme, is currently in deficit. The on-going contributions required, determined following a recent actuarial valuation, are considered to be manageable and within the academy's budget.

Plans for Future Periods

Trustees recognise the impact of the learning environment on the levels of pupil achievement and continue to develop and improve the teaching, learning and whole school environment in a continually evolving education system. They actively seek to improve the school building and space available for all pupils

In 2014 the following work was completed:

- Fencing and pathway to improve accessibility and provide a safe route into school for all
- Painting rear of school

Trustees are committed to support and challenge the academy in order to maintain the extremely high levels of achievement the pupils currently attain.

The academy's Self Evaluation has identified School Development focuses for the academic year 2014/15 which includes:

Funds held as Custodian Trustee on behalf of others

- ❖ Building a research centre, school library and small teaching group rooms to increase teaching space available to our children as well as providing an environment suitable for learning in the 21st Century

Twickenham Primary School
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Trustees' report (continued)

- ❖ Improving the environmental footprint of the building by making it more energy efficient. This will involve replacing roofing, single glazing and lighting
- ❖ Maximising the use of the outdoor environment by improving facilities in the playgrounds and on the front field

The carry forward figure will be utilised to fund the above, along with grant applications

Funds held as Custodian Trustee on behalf of others


There are no Funds held as Custodian Trustee on behalf of others.

Auditors

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware,
- the trustees have taken all steps to make themselves aware of any relevant audit information and to establish that the auditor is aware of this.
- Feltons have been appointed in accordance with Section 487(2) of the Companies Act 2011

Trustees' report, incorporating a strategic report, approved by order of the members of the Trustee Body on 9.12.14..... and signed on its behalf by:

 Mrs T Hall – Chair of Trustees

Twickenham Primary School
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Governance Statement

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Twickenham Primary 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 trustee body has delegated the day-to-day responsibility to the Principal as Accounting Officer, for ensuring financial controls conform to 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 itself. They are also responsible for reporting to the Trustee Body any material weaknesses or breakdowns in internal control.

Governance

The trustee body meet formally 3 times during the Year. Attendance during the year at meetings of the trustee body was as follows:

Name	Sessions attended	Out of a possible
Mrs T Hall	5	6
Ms S Tomlinson	3	6
Mrs C Brandon	4	6
Ms S Annakie	3	6
Mr K Smith	5	6
Mr F Smith	4	6
Mr C Taylor	4	6
Mrs E Nixon	6	6
Ms F Weddle	5	6
Mrs P Hepburn	1	6
Miss V Meakin (Meetings not attended due to maternity leave).	0	6
Mrs H Mortiboy	6	6
Mr J Taylor	6	6
Mr A Drummond	6	6

The Finance committee is a sub-committee of the main board of trustees. Its purpose is to:

- To operate as the audit committee as per EFA guidance
- 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.

Attendance during the year at meetings of the Finance Committee was as follows:

Name	Sessions attended	Out of a possible
Mr C Taylor	4	4
Mrs H Mortiboy	4	4
Mrs P Hepburn	3	4
Mr A Drummond	4	4

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Governance Statement (continued)

Mrs E Nixon	3	4
Mr K Smith	0	4
Mrs T Hall	3	4
Ms C Brandon	3	4
Mr J Taylor	4	4

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 Twickenham Primary School for the period ended 31 August 2013 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Trustee Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trustee Body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy's significant risks that has been in place for the period ending 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trustee Body.

The Risk and Control Framework

The Academy'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 Trustee Body;
- 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 Trustee Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the trustees in conjunction with its sponsor have appointed DRB Financial Management Services to undertake the role of Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a termly 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.

Twickenham Primary School
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Governance Statement (continued)

The Responsible Officer's report is given to FSB to scrutinise. Any areas identified for improvement are acted upon and then reported to FSB via the next report.

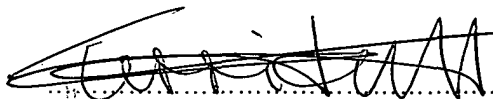
Review of Effectiveness

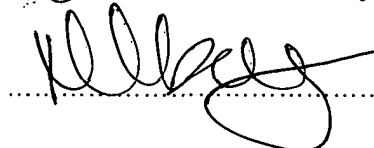
As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the System of Internal Control. During the period in question the review has been informed by:

- the work of the Responsible Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the Bursar who has 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 Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 9/12/14 and signed on its behalf by:

 Mrs T Hall - Chair of Trustees

 Mrs H Mortiboy - Accounting Officer

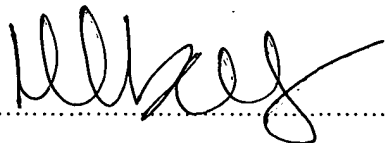
Twickenham Primary School
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Statement of Regularity, Propriety and Compliance

As Accounting Officer of Twickenham Primary School, I have considered my responsibility to notify the Academy Trust, Trustee Body 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 and Trustee 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 Trustee Body and EFA.


..... Mrs H Mortiboy - Accounting Officer

9 / 12 / 14
..... Date

Twickenham Primary School
(A Company Limited by Guarantee)

Statement of Trustees' Responsibilities

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

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

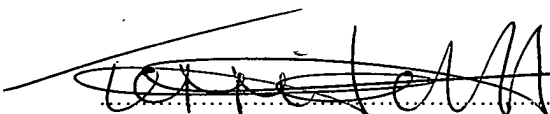
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material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

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

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

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

Approved by order of the members of the board of trustees on 9/12/14 and signed on its behalf by:

 Mrs T Hall - Chair of Trustees

Twickenham Primary School
(A Company Limited by Guarantee)

Independent Auditor's Report on the Financial Statements to the Board of Trustees of Twickenham Primary School

We have audited the financial statements of Twickenham Primary School (A Company Limited by Guarantee) for the period ended 31 August 2014 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies: Accounts Direction 2013 issued by the Education Funding Agency.

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members those matters we are required to state to them in an 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 academy trust and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the statement of trustees' responsibilities, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements :

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

**Twickenham Primary School
(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Board of Trustees of Twickenham Primary School
(continued)**

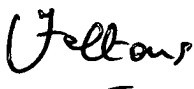
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the trustees for the financial period for which the financial statements are prepared is 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
- 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.



David W Farnsworth FCA (Senior Statutory Auditor)
For and on behalf of Feltons, Statutory Auditor
8 Sovereign Court
8 Graham Street
Birmingham B1 3JR

18
..... December 2014

**Twickenham Primary School
(A Company Limited by Guarantee)**

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

In accordance with the terms of our engagement letter dated 30 January 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 the Twickenham Primary School during the period 1 January 2014 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Twickenham 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 Twickenham 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 Twickenham Primary School and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Twickenham Primary School accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Twickenham Primary School's funding agreement with the Secretary of State for Education dated 19 December 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 period 1 January 2014 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

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.

The work undertaken to draw our conclusion includes :

- Consideration of the applicable legislation and the Academy Trust's Funding Agreement
- Review and evaluation of the academy trust's system of internal controls
- Examination and assessment of the Accounting Officer's statement on Regularity, Propriety and Compliance
- Examination, on a test basis, of third party evidence supporting income and expenditure
- Review of exceptional and unusual items

Twickenham Primary School
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Twickenham 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 period 1 January 2014 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



David W Farnsworth FCA (Senior Statutory Auditor)

For and on behalf of Feltons, Statutory Auditor

8 Sovereign Court

8 Graham Street

Birmingham B1 3JR

18 December 2014

Twickenham Primary School
(A Company Limited by Guarantee)

Statement of financial activities for the period ended 31 August 2014
(including income and expenditure account and statement of total recognised gains and losses)

	Notes	Unrestricted funds £	Restricted pension fund £	Restricted general funds £	Restricted fixed asset funds £	Total 2014 £
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Voluntary income - transfer from local authority on conversion	2	438,822	(1,056,000)	-	3,572,995	2,955,817
Activities for generating funds	3	25,006	-	6,877	-	31,883
Investment income	4	341	-	-	-	341
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	5	-	-	1,719,231	9,065	1,728,296
Total incoming resources		464,169	(1,056,000)	1,726,108	3,582,060	4,716,337
Resources expended						
<i>Charitable activities:</i>						
Academy's educational operations	7	15,230	36,000	1,383,193	72,928	1,507,351
Governance costs	8	-	-	9,278	-	9,278
<i>Other resources expended :</i>						
Other costs on conversion	8	-	-	7,775	-	7,775
Total resources expended	6	15,230	36,000	1,400,246	72,928	1,524,404
Net incoming/(outgoing) resources before transfers		448,939	(1,092,000)	325,862	3,509,132	3,191,933
Gross transfers between funds	15	-	-	(28,207)	28,207	-
Net income/(expenditure) for the period		448,939	(1,092,000)	297,655	3,537,339	3,191,933
Other recognised gains and losses						
Actuarial losses on defined benefit pension schemes	15, 24	-	(165,000)	-	-	(165,000)
Total funds carried forward at 31 August 2014		448,939	(1,257,000)	297,655	3,537,339	3,026,933

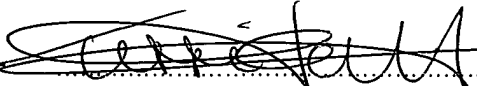
All of the Academy's activities derive from continuing operations during the above financial period.

Twickenham Primary School
(A Company Limited by Guarantee)

Company Number : 08601624
Balance sheet as at 31 August 2014

	Notes	2014	
		£	£
Fixed assets			
Tangible assets	12		3,537,339
Current assets			
Debtors	13	97,255	
Cash at bank and in hand		<u>1,067,560</u>	
		1,164,815	
Liabilities			
Creditors: amounts falling due within one year	14	<u>418,221</u>	
Net current assets			746,594
Total assets less current liabilities			<u>4,283,933</u>
Pension scheme liability	24		(1,257,000)
Net assets including pension liability			<u><u>3,026,933</u></u>
Funds of the academy trust :			
Restricted funds			
Fixed asset fund	15	3,537,339	
General fund	15	297,655	
Pension reserve	15	<u>(1,257,000)</u>	
Total restricted funds			2,577,994
Unrestricted income funds			
General fund	15		448,939
Total funds			<u><u>3,026,933</u></u>

The financial statements on pages 21 to 42 were approved by the trustees, and authorised for issue on 9/12/14..... and are signed on their behalf by:

..... Mrs T Hall - Chair of Trustees

Twickenham Primary School
(A Company Limited by Guarantee)

Cash flow statement for the period ended 31 August 2014

	Notes	2014 £
Net cash inflow from operating activities	19	1,075,425
Returns on investments and servicing of finance	20	341
Capital expenditure	21	(28,207)
Cash transferred on conversion to academy trust	26	20,001
Net funds at 31 August 2014	22	<u>1,067,560</u>

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

Twickenham Primary School
(A Company Limited by Guarantee)

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

Incoming resources

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

- **Grants receivable**

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

General Annual Grant is recognised in full in the period 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.

- **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.

Twickenham Primary School
(A Company Limited by Guarantee)

Notes to the financial statements for the period ended 31 August 2014 (continued)

1. Statement of 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.

Conversion to academy trust

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

The assets and liabilities transferred on conversion from Twickenham Primary School to an academy trust have been valued at their fair value being a reasonable estimate of the current market value that the trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set for Twickenham Primary School. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds, restricted pension fund and restricted fixed asset funds. Details of the transaction are set out in note 26.

Resources expended

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

- **Costs of generating funds**

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

- **Charitable activities**

These are costs incurred in 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 irrecoverable VAT.

Twickenham Primary School
(A Company Limited by Guarantee)

Notes to the financial statements for the period ended 31 August 2014 (continued)

1. Statement of accounting policies (continued)

Tangible fixed assets

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

The Academy acquired a number of assets from the predecessor school for which no payment was made. A notional donation of £3,572,995 has been recognised to represent their value at that date.

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 life as follows:

Long leasehold buildings	- straight line over 50 years
Fittings and equipment	- 25% reducing balance
Motor vehicles	- 20% reducing balance
Computer equipment	- 33% straight line

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Leased assets

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

Twickenham Primary School
(A Company Limited by Guarantee)

Notes to the financial statements for the period ended 31 August 2014 (continued)

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.

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 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 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

These represent resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds

These represent resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds

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

Twickenham Primary School
(A Company Limited by Guarantee)

Notes to the financial statements for the period ended 31 August 2014 (continued)

2. Voluntary income

	Unrestricted funds £	Restricted pension funds £	Restricted fixed asset funds £	Total 2014 £
Transfer from local authority				
- fixed assets	-	-	3,572,995	3,572,995
- bank accounts	20,001	-	-	20,001
- budget surplus on LA funds	418,821	-	-	418,821
- pension deficit	-	(1,056,000)	-	(1,056,000)
	<u>438,822</u>	<u>(1,056,000)</u>	<u>3,572,995</u>	<u>2,955,817</u>

3. Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2014 £
Educational visits	15,230	-	15,230
Miscellaneous	9,776	6,877	16,653
	<u>25,006</u>	<u>6,877</u>	<u>31,883</u>

4. Investment income

	Unrestricted funds £	Restricted funds £	Total 2014 £
Short term deposits	<u>341</u>	<u>-</u>	<u>341</u>

Twickenham Primary School
(A Company Limited by Guarantee)

Notes to the financial statements for the period ended 31 August 2014 (continued)

5. Funding for the Academy Trust's educational operations

	Restricted general fund £	Restricted fixed asset funds £	Total 2014 £
EFA revenue grants			
General Annual Grant	1,344,268	-	1,344,268
Other EFA grants	268,609	-	268,609
	<u>1,612,877</u>	<u>-</u>	<u>1,612,877</u>
Other government grants			
Local authority grants	106,354	-	106,354
Capital grants	-	9,065	9,065
	<u>106,354</u>	<u>9,065</u>	<u>115,419</u>
	<u>1,719,231</u>	<u>9,065</u>	<u>1,728,296</u>

6. Resources expended

	Staff costs £	Non pay expenditure Premises £	Other costs £	Total 2014 £
Academy's educational operations				
Direct costs	962,764	63,447	84,234	1,110,445
Allocated support costs	158,407	122,472	116,027	396,906
	<u>1,121,171</u>	<u>185,919</u>	<u>200,261</u>	<u>1,507,351</u>
Governance costs including allocated support costs				
	-	-	17,053	17,053
	<u>1,121,171</u>	<u>185,919</u>	<u>217,314</u>	<u>1,524,404</u>

£

Outgoing resources for the period include :

Operating leases	- plant and machinery	5,948
Fees payable to auditor	- audit	6,850
	- other services	850

Included within resources expended are compensation payments of £1,655.

Twickenham Primary School
(A Company Limited by Guarantee)

Notes to the financial statements for the period ended 31 August 2014 (continued)

7. Charitable activities

	Unrestricted funds £	Restricted pension fund £	Other restricted funds £	Total 2014 £
Direct costs - educational operations				
Teaching and educational support staff	-	-	962,764	962,764
Depreciation	-	-	63,447	63,447
Technology costs	-	-	7,822	7,822
Educational supplies	15,230	-	31,495	46,725
Staff development	-	-	10,309	10,309
Educational consultancy	-	-	18,245	18,245
Other direct costs	-	-	1,133	1,133
	<u>15,230</u>	<u>-</u>	<u>1,095,215</u>	<u>1,110,445</u>
Allocated support costs - educational operations				
Support staff	-	36,000	122,407	158,407
Depreciation	-	-	9,481	9,481
Maintenance of premises and equipment	-	-	48,046	48,046
Cleaning	-	-	25,719	25,719
Rates and water	-	-	6,608	6,608
Energy costs	-	-	16,447	16,447
Insurance	-	-	13,645	13,645
Security and transport	-	-	5,407	5,407
Catering	-	-	59,132	59,132
Other support costs	-	-	54,014	54,014
	<u>-</u>	<u>36,000</u>	<u>360,906</u>	<u>396,906</u>
Total direct and support costs	<u>15,230</u>	<u>36,000</u>	<u>1,456,121</u>	<u>1,507,351</u>

8. Governance costs

	Restricted funds £	Total 2014 £
Auditor's remuneration		
audit of financial statements	6,850	6,850
other audit costs	850	850
Professional fees	9,353	9,353
	<u>17,053</u>	<u>17,053</u>

Twickenham Primary School
(A Company Limited by Guarantee)

Notes to the financial statements for the period ended 31 August 2014 (continued)

9. Staff costs

a) Staff costs

	Total 2014 £
Staff costs during the period were:	
Wages and salaries	806,973
Social security costs	57,326
Pension costs	
Teachers' pension scheme	76,482
Local government pension scheme	82,283
	<u>1,023,064</u>
Supply staff costs	98,107
	<u>1,121,171</u>

b) Staff numbers

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

	2014 Number
Charitable activities	
Teachers	31
Administration and support	5
Management	5
	<u>41</u>

c) Higher paid staff

The number of employees whose emoluments exceeded £60,000 on an annualised basis fell within the following bands was :

£60,001 - £70,000	1
£70,001 - £80,000	<u>1</u>

These employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2014, employer's pension contributions for these employees amounted to £12,331.

10. Related Party Transactions - Trustees' remuneration and expenses

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

Twickenham Primary School
(A Company Limited by Guarantee)

Notes to the financial statements for the period ended 31 August 2014 (continued)

10. Related Party Transactions - Trustees' remuneration and expenses (continued)

The value of trustees' remuneration for the period 1 January 2014 to 31 August 2014 was as follows :

H Mortiboy (principal and trustee)	£45,000 - £50,000
J Taylor (deputy head teacher and trustee)	£40,000 - £45,000
A Drummond (vice principal and trustee)	£35,000 - £40,000
V Meakin (teaching assistant and trustee)	£5,000 - £10,000

During the period ended 31 August 2014, travel and subsistence expenses totalling £nil were reimbursed to trustees. 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 has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the period ended 31 August 2014 was £1,096. The cost of this insurance is included in the total insurance cost.

12. Tangible fixed assets	Long leasehold property	Fittings and equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
Assets transferred on conversion at valuation	3,470,000	34,200	57,300	11,495	3,572,995
Other additions at cost	-	33,021	4,251	-	37,272
At 31 August 2014	<u>3,470,000</u>	<u>67,221</u>	<u>61,551</u>	<u>11,495</u>	<u>3,610,267</u>
Depreciation					
Charge for the period	46,267	11,204	13,541	1,916	72,928
At 31 August 2014	<u>46,267</u>	<u>11,204</u>	<u>13,541</u>	<u>1,916</u>	<u>72,928</u>
Net book values					
At 31 August 2014	<u>3,423,733</u>	<u>56,017</u>	<u>48,010</u>	<u>9,579</u>	<u>3,537,339</u>

Leasehold property was valued at £3,470,000 by The Property Consultants – FHP and the fittings and equipment and computer equipment were valued at the same date by the trustees. The basis on which the valuations were made was depreciated replacement cost.

Cost or valuation at 31 August 2014 is represented by :	Long leasehold property	Fittings and equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£
Valuation in 2013	3,470,000	34,200	57,300	11,495	3,572,995
Cost	-	33,021	4,251	-	37,272
	<u>3,470,000</u>	<u>67,221</u>	<u>61,551</u>	<u>11,495</u>	<u>3,610,267</u>

The leasehold property transferred on conversion included leasehold premises valued at £3,470,000 subject to a 125 year lease.

Twickenham Primary School
(A Company Limited by Guarantee)

Notes to the financial statements for the period ended 31 August 2014 (continued)

13. Debtors

	Total 2014 £
VAT recoverable	15,997
Prepayments and accrued income	76,834
Other debtors	4,424
	<u>97,255</u>

14. Creditors

	Total 2014 £
Amounts falling due within one year :	
Creditors from operations	29,976
Accruals and deferred income	127,862
Other creditors	260,383
	<u>418,221</u>
Deferred income	
Resources deferred in the year	12,198
Deferred income at 31 August 2014	<u>12,198</u>

At the balance sheet date the academy trust was holding funds received in advance for free school meals for the period September 2014 to March 2015.

15. Funds

	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2014 £
Restricted general funds				
General Annual Grant (GAG)	1,344,268	(1,018,406)	(28,207)	297,655
Other EFA grants	268,609	(268,609)	-	-
Other government grants	113,231	(113,231)	-	-
	<u>1,726,108</u>	<u>(1,400,246)</u>	<u>(28,207)</u>	<u>297,655</u>

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Notes to the financial statements for the period ended 31 August 2014 (continued)

15. Funds (continued)

	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2014 £
Restricted fixed asset funds				
Assets transferred on conversion	3,572,995	(66,489)	-	3,506,506
Local authority capital grants	9,065	(1,511)	-	7,554
Capital expenditure from GAG	-	(4,928)	28,207	23,279
	<u>3,582,060</u>	<u>(72,928)</u>	<u>28,207</u>	<u>3,537,339</u>
Restricted pension funds	<u>(1,056,000)</u>	<u>(36,000)</u>	<u>(165,000)</u>	<u>(1,257,000)</u>
Total restricted funds	<u>4,252,168</u>	<u>(1,509,174)</u>	<u>(165,000)</u>	<u>2,577,994</u>
Unrestricted funds				
Other income	464,169	(15,230)	-	448,939
Total unrestricted funds	<u>464,169</u>	<u>(15,230)</u>	<u>-</u>	<u>448,939</u>
Total funds	<u>4,716,337</u>	<u>(1,524,404)</u>	<u>(165,000)</u>	<u>3,026,933</u>

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

Restricted general funds

These comprise all restricted funds other than restricted fixed asset funds and include grants from The Education Funding Agency and Birmingham City Council.

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.

Unrestricted funds

These comprise resources that may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds

These comprise resources which are to be applied to specific capital purposes imposed by Birmingham City Council where the asset acquired or created is held for a specific purpose.

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Notes to the financial statements for the period ended 31 August 2014 (continued)

16. Analysis of net assets between funds

Fund balances at 31 August 2014 are represented by:	Unrestricted funds £	Restricted pension funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	3,537,339	3,537,339
Current assets	448,939	-	715,876	-	1,164,815
Current liabilities	-	-	(418,221)	-	(418,221)
	448,939	-	297,655	3,537,339	4,283,933
Pension scheme liability	-	(1,257,000)	-	-	(1,257,000)
Total net assets	448,939	(1,257,000)	297,655	3,537,339	3,026,933

17. Capital commitments

There were no capital commitments at 31 August 2014.

18. Financial commitments

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

	Equipment 2014 £
Expiring within one year	8,922
Expiring within two to five years inclusive	13,670
	22,592

19. Reconciliation of net income to net cash inflow from operating activities

	Total 2014 £
Net income	3,191,933
Depreciation (note 12)	72,928
Capital grants from the local authority	(9,065)
Cash transferred on conversion to academy trust (note 26)	(20,001)
Assets transferred on conversion to academy trust (note 26)	(3,572,995)
Interest receivable (note 4)	(341)
FRS 17 pension deficit on conversion (note 24)	1,056,000
FRS 17 actuarial movements (note 24)	36,000
(Increase) in debtors	(97,255)
Increase in creditors	418,221
Net cash inflow from operating activities	1,075,425

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Notes to the financial statements for the period ended 31 August 2014 (continued)

Total
2014
£

20. Returns on investments and servicing of finance

Interest received	341
Net cash inflow from returns on investment and servicing of finance	341

21. Capital expenditure and financial investment

Purchase of tangible fixed assets	(37,272)
Capital grants from the local authority	9,065
Net cash (outflow) from capital expenditure and financial investment	(28,207)

22. Analysis of changes in net funds

	Cash flows £	At 31 August 2014 £
Cash at bank and in hand	1,067,560	1,067,560
	<u>1,067,560</u>	<u>1,067,560</u>

23. Member's liability

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

24. Pension and similar obligations

The academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Midlands 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 related to the period ended 31 March 2004 and of the LGPS 31 March 2013.

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

Notes to the financial statements for the period ended 31 August 2014 (continued)

24. Pension and similar obligations (continued)

Teachers' Pension Scheme

Introduction

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

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

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

Valuation of the Teachers' Pension Scheme

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

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

Notes to the financial statements for the period ended 31 August 2014 (continued)

24. Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme (continued)

The Public Service Pensions Bill provides for future scheme valuations to be conducted in accordance with Treasury directions. The actuarial valuation report in summer 2014 takes effect from September 2015.

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 1/57th; and a Normal Pension Age equal to the State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

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

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

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

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

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Notes to the financial statements for the period ended 31 August 2014 (continued)

24. Pension and similar obligations (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 period ended 31 August 2014 was £46,907, of which employer's contributions totalled £33,984 and employees' contributions totalled £12,923. The agreed contribution rates for future years are 13% for employers and between 5.5% and 9.9% for employees.

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

As described in note 1 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

The trustees have agreed that the trust will make additional contributions in addition to normal funding levels over the next 22 years.

Principal actuarial assumptions

	At 31 August 2014
Rate of increase in salaries	3.95%
Rate of increase for pensions in payment / inflation	2.20%
Discount rate for scheme liabilities	4.00%
Inflation assumption (CPI)	2.20%
Commutation of pensions to lump sums	

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
Retiring today	
Males	22.9
Females	25.5
Retiring in 20 years	
Males	25.1
Females	27.8

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Notes to the financial statements for the period ended 31 August 2014 (continued)

24. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	Expected return at 31 August 2014	Fair value at 31 August 2014 £
Equities	7.00%	58,000
Government bonds	2.90%	10,000
Other bonds	3.80%	13,000
Property	6.20%	11,000
Cash	50.00%	6,000
Other	7.00%	31,000
Total market value of assets		129,000
 Present value of scheme liabilities		
- Funded		(1,386,000)
 Deficit in the scheme		(1,257,000)

The expected rate of return on the Scheme assets is based on market expectations at the beginning of the period.

The actual return on the Scheme assets was £8,000.

	2014 £
Amounts recognised in the statement of financial activities	
Current service cost (net of employee contributions)	37,000
Past service cost	-
Total operating charge	37,000
 Analysis of pension finance income/(costs)	
Expected return on pension scheme assets	3,000
Interest on pension liabilities	(36,000)
Pension finance costs	(33,000)

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 £165,000 loss.

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Notes to the financial statements for the period ended 31 August 2014 (continued)

24. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2014 £
Current service cost	37,000
Interest cost	36,000
Employee contributions	13,000
Actuarial loss	169,000
Business combinations	<u>1,131,000</u>
At 31 August 2014	<u>1,386,000</u>

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

	2014 £
Expected return on assets	3,000
Actuarial gain	4,000
Employer contributions	34,000
Employee contributions	13,000
Business combinations	<u>75,000</u>
At 31 August 2014	<u>129,000</u>

Net pension scheme liability	<u>(1,257,000)</u>
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The estimated value of employer contributions for the period ended 31 August 2015 is £90,000.

The history of experience adjustments is as follows:

	2014 £
Present value of defined benefit obligations	(1,386,000)
Fair value of share of scheme assets	129,000
Deficit in the scheme	<u>(1,257,000)</u>
 Experience adjustments on share of scheme assets (£)	 <u>4,000</u>

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Notes to the financial statements for the period ended 31 August 2014 (continued)

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, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account.

26. Conversion to an academy trust

On 1 January 2014 Twickenham Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Twickenham Primary School from Birmingham City Council for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net income in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Unrestricted funds £	Restricted pension funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets					
Leasehold land and buildings		-	-	3,470,000	3,470,000
Other tangible fixed assets		-	-	102,995	102,995
Budget surplus on LA funds	418,821	-	-	-	418,821
LGPS pension (deficit)		(1,056,000)	-	-	(1,056,000)
Other identified assets	20,001	-	-	-	20,001
Total net assets	438,822	(1,056,000)	-	3,572,995	2,955,817

The above net assets include £438,822 transferred as cash.

The transfer agreement requires the company to run the academy known as Twickenham Primary School on the present site; transfers all property, undertakings, rights, assets whether tangible or intangible to the academy trust; and sets out the responsibilities of the academy with regards to the employees of the former local authority controlled school. The transfer included the lease of property for a period of 125 years.