

Company registration number: 08199843 (England and Wales)

**Wootton Primary School Academy Trust**  
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2014



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## Wootton Primary School Academy Trust

### Reference and administrative details

<b>Company Name</b>	Wootton Primary School Academy Trust	
<b>Company Registration Number</b>	08199843	
<b>Principle &amp; Registered Office</b>	Farmclose Road Wootton Northampton NN4 6HJ	
<b>Members</b>	N Roberts A Billingham K Thompson	Governor Governor Governor
<b>Governors</b>	L Schofield K Atkins S Brooks T Chapman C Meachem S Matthews S Breen E Anyaegbu M Spencer S Hornsby A Taylor	Governor Governor Governor (resigned 23 April 2014) Governor (resigned 28 August 2014) Governor Governor Governor Governor Governor Governor Governor (appointed 2 July 2014) Governor (appointed 1 July 2014)
<b>Company Secretary</b>	G White	
<b>Clerk to the Governors</b>	C White	
<b>Senior Management Team:</b>	Head Teacher & Accounting Officer Assistant Head Teacher School Business Manager	L Schofield K Stevenson S Onley
<b>Independent Auditor</b>	Harris & Co 2 Pavilion Court 600 Pavilion Drive Northampton Business Park Northampton NN4 7SL	
<b>Bankers</b>	Lloyds Bank plc 2 George Row Northampton NN1 1DJ	
<b>Solicitors</b>	Winkworth Sherwood Minerva House 5 Montague Close London SE1 9BB	

## **Wootton Primary School Academy Trust**

### **Governors' Report**

The Governors present their annual report together with the audited financial statements of the Academy Trust for the period from 1 September 2013 to 31 August 2014. The annual report serves the purpose of both trustees' report and a directors' report including a strategic report under company law.

The Academy Trust's principal activity is the provision of quality education for the benefit of children aged 4 – 11 who live in the area local to the school.

### **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.

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

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

#### Members' Liability

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

#### Governors' Indemnities

The Academy Trust has purchased insurance to cover Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The Academy Trust holds Governors liability insurance with Zurich Municipal with a limit of £2,000,000.

#### Method of Recruitment and Appointment or Election of Governors

The Governors are appointed under the terms of Wootton Primary School Academy Trust's Articles of Association as follows:

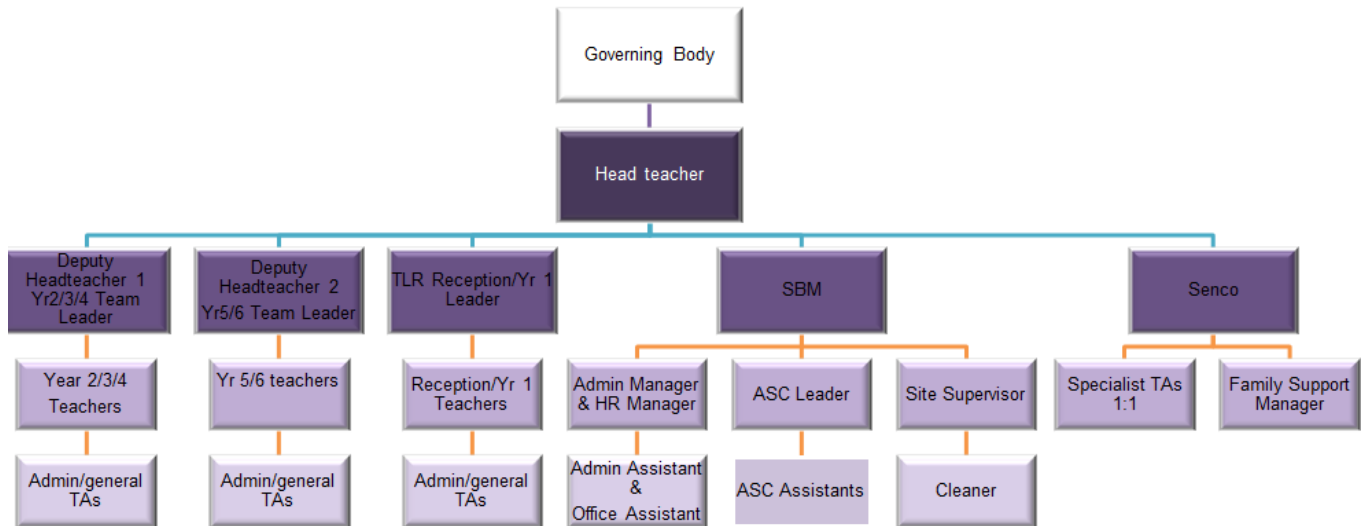
- 4 parent Governors elected by the parent body
- 4 staff Governors, elected by the staff and including the Principal (Head teacher)
- 4 community Governors by agreement with the governing body

#### Policies and Procedures Adopted for the Induction and Training of Governors

All new Governors are invited to undertake a two hour induction training programme covering the main activities and responsibilities of Governors. An on-line Governor training package is purchased each year and Governors are encouraged to undertake modules of training as appropriate. Each new Governor is offered a tour of the school and a chance to meet staff and pupils. They are also offered a "buddy" and a programme of attending sub group meetings.

Governors' Report (continued)

Organisational Structure



The structure consists of the Governors and the school leadership team. The aim of the structure is to devolve responsibility and encourage decision making at all levels.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy Trust's use of budgets, and making major decisions regarding the strategic direction of the Academy, capital expenditure and senior staff appointments.

Members of the Senior Leadership Team control the Academy Trust at executive level, implementing the policies agreed by the Governors and reporting back to them.

## Wootton Primary School Academy Trust

### Governors' Report (continued)

#### Connected Organisations, including Related Party Relationships

The Governors of Wootton Primary School have claim to the freehold land adjacent to the memorial hall. They also hold a lease for 125 years for the school grounds from Northamptonshire County Council. Part of the school is currently held as "tenants at will" from the Diocese of Peterborough. There is a sub-lease to Northamptonshire County Council to maintain a children's centre for 25 years.

### Objectives and Activities

#### Objects and Aims

The principal objective and activity of the Charitable Company is the operation of the school to provide education for pupils of all abilities between the ages of 4 and 11.

#### Objectives, Strategies and Activities

The main objectives of the Academy Trust during the year 1 September 2013 to 31 August 2014 are summarised below:

- To ensure that all learners make good progress in all subjects but particularly by working towards and meeting ambitious reading targets: all R to be at expected level +; all KS1 to be 2b readers + with 50% level 3; all year 6 to be 4a readers + with 70% at level 5+
- To ensure that all pupil premium children attain and progress at least in line with their peer group
- To increase the number of high attaining children in English, Maths and Science to 55%+ by the end of year 6
- To use an effective range of internal and external resources to identify barriers that result in slow or off-trajectory progress early and intervene by targeted teaching to remedy this
- To embed our new year group teaching system to ensure that teaching is consistently at least good across the school through focused, next step teaching and ensuring the new curriculum standards for reading, writing and maths are embedded.
- To ensure that attitudes to learning and to the school community are outstanding for every child by embedding our assertive mentoring approach & streamlining our Values
- To enhance and extend our approach to the teaching of e-safety across the school
- To further raise teaching standards through efficient deployment of the new leadership team & new teachers, linking appraisal to the pay policy & efficient deployment of support staff including the new Family Support Manager
- Subject team leaders to ensure a broad, balanced, engaging and challenging curriculum by adding detail to the new curriculum map: promoting enquiry based learning, empowering learning, subject challenge levels and specific skills in the whole school overview & planning life without levels
- To build on year 2 of sports premium money efficiently to ensure a sustainable approach to promoting healthy living and sport for our pupils
- School leaders, including governors, to ensure the best value for money for the school budget and new funding streams with particular focus on pupil premium, achievement for all, school facilities, resources and interventions.

#### Public Benefit

The key public benefit delivered by Wootton Primary School is the maintenance and development of quality education provided by the school the children in the local community.

In doing this the Academy offers a broad and balanced academic curriculum and aims to educate the whole individual so that they can be the best that they can be. A wide range of extra-curricular provision is offered and undertaken. The Academy works in partnership with Happy Hols holiday club and Bright Eyes breakfast club to offer pre & post school care and holiday provision for the community.

The Academy offers its facilities to local community groups.

**Governors' Report (continued)**

**Strategic Report**

**Achievements and Performance**

*Key Performance Indicators*

Wootton Primary School Academy Trust has high aspirations for its pupils and a drive for continuous improvement. We make good use of data to track pupils' progress and aim that every child makes as much progress as they are capable of.

**Early Years Foundation Stage**

- Children make very good progress within the foundation stage and average outcomes surpass national and local authority performance
- In 2014, 69% of children attained a good level of development. Judged across a combination of learning areas, against the national figure of 60%

**Key Stage One**

- In 2014 81% of children attained or surpassed the required standard in the phonics screening, compared to 69% nationally
- In Reading the KS1 outcomes were that 95% of the children reached level 2 or above, compared to 89% of children nationally. 29% of children attained level 3 compared to 41% nationally
- In writing, 92% of the children reached level 2 or above, compared to 85% of children nationally. 15% of children attained level 3 compared to 22% nationally
- In mathematics 97% of the children reached level 2 or above, compared to 91% of children nationally. 42% of children attained level 3 compared to 23% nationally

**Key Stage Two**

- In the SPAG test (Spelling, Punctuation and Grammar) the KS2 outcomes were that 84% of children attained level 4+; 55% attained level 5+ and 2% attained level 6 against national figures of 74%, 46% and 2%
- In Reading, 90% of children attained level 4+; 63 % attained level 5+ against national figures of 85% and 44%
- In Maths, 95% of children attained level 4+; 42 % attained level 5+ and 12% attained level 6 against national figures of 86%, 42% and 7%
- In 2014: 87% of children attained level 4 in both Reading, Writing and Maths. 82% of children attained level 4 in Reading, SPAG and Maths
- In English: 92% of children made the expected progress and 44% exceeded expected progress
- In Maths: 95% of children made expected progress and 30% exceeded expected progress
- In SPAG, 93% of children made expected progress and 53% exceeded expected progress

*Going Concern*

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

## Wootton Primary School Academy Trust

### Governors' Report (continued)

#### Financial Review

Most of the school's income is obtained from the DfE, via the EFA, in the form of its GAG (general annual grant), the use of which is restricted to particular purposes: i.e. the objectives of the Academy Trust.

The balance sheet Restricted Fixed Asset Fund is reduced by depreciation charges over the expected useful life of the assets concerned, as explained in note 1 to the financial statements.

The GAG received during the year covered by this report and the associated expenditure is shown as restricted funds in the statement of financial activities.

The school has made significant investment in improving the school environment and resources and including:

- Replacement and refurbishment of four sets of toilets (money received from DfE Maintenance Grant)
- Replacement of windows and doors in KS1 (money received from DfE Maintenance Grant)
- A second fixed shelter on the KS1 playground
- A learning hub installed on the KS2 playground
- A wooden outdoor shelter installed on the school field
- A sail canopy installed over decking
- A new decking area on an unutilised slope
- New ergonomic classroom furniture in Reception and Year 1
- Upgrading the school ICT equipment
- Significant investment in pupil reading material

#### Reserves Policy

The Governors, having reviewed reserve levels, have decided to aim to hold £120,000 (8% of annual funding) as a contingency in order to provide sufficient working capital to cover delays between spending and receipt of grants and to allow for unexpected situations such as urgent maintenance work or teacher sickness absence.

#### Investment Policy

The school has no current plans to move surplus funds into separate investment funds.

#### Principal Risks and Uncertainties

The principle risks or uncertainties faced by the Wootton Primary School Academy Trust are Financial, Health and Safety, Unexpected Loss or Damage and Safeguarding.

- a) The financial risk of the misappropriation of funds (fraud) is managed through meeting accepted financial standards that include the work of a responsible officer within school and an external audit.
- b) The financial risk of failing to be a going concern is met through due diligence of the Accounting Officer (Head teacher) and the School Business Manager, together with the scrutiny of the Governors Finance Committee.
- c) The school follows all known Health and Safety guidance, has a clear schedule of responsibilities and has an external audit of health and safety to ensure full compliance with the law.
- d) The school has comprehensive and extensive insurance cover.
- e) The school follows all statutory guidance for the protection of children.

#### Risk Management

The Governors have assessed the major risks to which Wootton Primary School Academy Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health, safety, welfare and procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where financial risk still remains the Academy Trust ensures adequate insurance cover. The school has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.



**Governors' Report (continued)**

*Financial and Risk Management Objectives and Policies*

In the period of this report Wootton Primary School Academy Trust has paid due regard to the requirement to control resources specifically through diligent budget setting, through established procedures to monitor budget expenditure and through using procurement to gain best value. The internal controls of school systems include the report of a Responsible Officer scrutiny through regular scheduled, minuted meetings of the Governors Finance Committee.

**Plans for Future Periods**

Wootton Primary School Academy Trust will continue to be the best it can be by providing a quality education for all children. The school continues to invest in additional teachers so that we can provide quality small group teaching so that every child makes as much progress as they can. We are spending the sports premium on improving the teaching of and participation in sport. Our curriculum is challenging for all, as well as being broad, balanced and relevant. This year we need to put in place a new assessment system and embed aspects of the new National Curriculum.

To achieve our aims the school will: continue to invest in the ergonomic classroom furniture for each year group; improved facilities for learning and continue the re-decoration and maintenance programme; and continue to invest in quality learning resources including ICT. We are investigating the viability of installing solar panels.

**Funds held as Custodian Trustee on behalf of others**

The school is not acting as a custodian Trustee on behalf of others.

**Auditor**

In so far as the Governors are aware:

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

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 17 November 2014 and signed on its behalf by:

.....  
**N Roberts**  
**Chair of Trustees**

## Wootton Primary School Academy Trust

### Governance Statement

#### Scope of Responsibility

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

The Board of Governors has delegated the day-to-day responsibility to the Head teacher, 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 Wootton Primary School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

#### Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' responsibilities. The Board of Governors has formally met nine times during the year. Attendance during the year at meetings of the governing body was as follows:

Governor	Meetings attended	Out of a possible
L Schofield (Accounting Officer)	8	9
N Roberts (Chair)	9	9
K Thompson (Vice Chair)	7	9
K Atkins (Vice Chair)	8	9
S Brooks (resigned 23.4.14)	6	8
T Chapman (resigned 28.8.14)	7	9
C Meachem	9	9
A Billingham (director only from 1.9.14)	4	9
S Matthews	9	9
S Breen	9	9
E Anyaegbu	6	9
M Spencer	6	9
S Hornsby (appointed 2 July 2014)	-	-
A Taylor (appointed 1 July 2014)	-	-

The Finance Committee is a sub-committee of the main Board of Governors, its purpose is to assist the decision making of the Board of Governors, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Governors' responsibility to ensure sound management of the Academy Trust's finances and resources. The Finance Committee refers to the Academies Accounts Direction 2013 to 2014. Attendance during the year at finance meetings was as follows:

Governor	Meetings attended	Out of a possible
L Schofield	4	4
N Roberts	3	4
C Meachem	4	4
A Billingham	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 Wootton Primary School Academy Trust's 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 Wootton Primary School Academy Trust for the year ended 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Governors.

## Wootton Primary School Academy Trust

### Governance Statement (continued)

#### Capacity to Handle Risk

The Board of Governors have reviewed the key risks to which the Wootton Primary School Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors' view is that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that had been in place for the year ending 31 August 2014 and up to the date of approval of the annual report and financial statements. The process is regularly monitored by the finance committee, who report back to the Board of Governors.

#### The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Governors
- 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 guidelines
- Delegation of authority and segregation of duties
- Identification and management of risks

The Board of Governors considered the need for a specific internal audit function and decided not to appoint an internal auditor. However, the Governors did appoint Catherine Walker, NCC, to the role of Responsible Officer. The Responsible Officer gave advice on financial matters and performed checks on the Wootton Primary School Academy Trust's financial systems.

#### Review of Effectiveness

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

- the work of the Responsible Officer;
- the work of the external auditor;
- the financial management and governance self-evaluation;
- the work of the Board of Governors' Finance Committee; and
- the work of the senior leadership team within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

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

.....  
**N Roberts**  
**Chair of Trustees**

.....  
**L Schofield**  
**Accounting Officer**

## **Wootton Primary School Academy Trust**

### **Statement on Regularity, Propriety and Compliance**

As Accounting Officer of Wootton Primary School Academy Trust I have considered my responsibility to notify the Academy Trust 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 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.

.....  
L Schofield  
Accounting Officer

17 November 2014

**Statement of Governors' Responsibilities**

The Governors are responsible for preparing the Governors' Annual Report including the Strategic Report and the financial statements in accordance with applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction issued by the Education Funding Agency.

Company law requires the Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Governors are required to:

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

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

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

In so far as the Governors are aware:

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

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

.....  
**N Roberts**  
**Chair of Trustees**

17 November 2014

**Independent Auditor's Report to the Members of Wootton Primary School Academy Trust**

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

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 Governors and auditor**

As explained more fully in the Statement of Governors' Responsibilities set out on page 11, the Governors (some of whom 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 (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 Academy Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

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

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

In our opinion the information given in the Governors' Annual Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

*(Continued)*

**Independent Auditor's Report to the Members of Wootton Primary School Academy Trust (continued)**

**Matters on which we are required to report by exception**

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

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

**Phillip Harris BA FCA (senior statutory auditor)**

**For and on behalf of Harris & Co.**

Statutory Auditor and Chartered Accountants  
2 Pavilion Court  
600 Pavilion Drive  
Northampton Business Park  
Northampton  
NN4 7SL

17 November 2014

**Independent Reporting Accountant's Assurance Report on Regularity to Wootton Primary School Academy Trust Limited and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 16 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 Wootton Primary School Academy Trust during the period 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Wootton Primary School Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Wootton Primary School Academy Trust's funding agreement with the Secretary of State for Education dated 3 September 2012 and the Academies Financial Handbook, extant from 3 September 2013 (updated October 2013), for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

We conducted our engagement in accordance with the Academies: Accounts Direction 2013 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 conclusions includes a combination of enquiry, inspection and review, observation and re-performance in the following areas:

- entity and environment
- significant laws and regulations
- related parties
- internal control environment
- responsible officer/internal audit
- overall risk factors
- fraud risk factors
- regularity, propriety and compliance risk factors
- matters discussed with the client
- preliminary analytical review

*(continued)*



**Independent Reporting Accountant's Assurance Report on Regularity to Wootton Primary School Academy Trust Limited 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 September 2013 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.

Reporting Accountant  
Harris & Co.  
Chartered Accountants  
2 Pavilion Court  
600 Pavilion Drive  
Northampton Business Park  
Northampton  
NN4 7SL

17 November 2014

**Wootton Primary School Academy Trust**

**Statement of Financial Activities for the year ended 31 August 2014  
(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestrict ed Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	<b>Total 2014 £</b>	<b>Total 2013 £</b>
<b>Incoming resources</b>						
<i>Incoming resources from generated funds:</i>						
Voluntary income	3	-	8,560	-	8,560	25,041
Transfer from local authority on conversion		-	-	-	-	56,628
Activities for generating funds	4	63,008	-	-	63,008	45,204
Investment income	5	492	-	-	492	306
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	6	-	1,521,244	108,251	1,629,495	1,431,022
<b>Total incoming resources</b>		<b>63,500</b>	<b>1,529,804</b>	<b>108,251</b>	<b>1,701,555</b>	<b>1,558,201</b>
<b>Resources expended</b>						
<i>Cost of generating funds:</i>						
Costs of generating voluntary income		-	-	-	-	-
Fundraising trading		-	-	-	-	-
<i>Charitable activities:</i>						
Academy's educational operations	8	-	1,463,087	67,259	1,530,346	1,287,667
<i>Governance costs:</i>	9	-	31,790	-	31,790	37,050
<b>Total resources expended</b>	7	<b>-</b>	<b>1,494,877</b>	<b>67,259</b>	<b>1,562,136</b>	<b>1,324,717</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>63,500</b>	<b>34,927</b>	<b>40,992</b>	<b>139,419</b>	<b>233,484</b>
Gross transfers between funds	17	(63,500)	(93,159)	156,659	-	-
<b>Net income/(expenditure) for the year/period</b>		<b>-</b>	<b>(58,232)</b>	<b>197,651</b>	<b>139,419</b>	<b>233,484</b>
<b>Other recognised gains and losses</b>						
Actuarial (losses)/gains on defined benefit pension schemes	17,27	-	(83,000)	-	(83,000)	(27,000)
<b>Net movement in funds</b>		<b>-</b>	<b>(141,232)</b>	<b>197,651</b>	<b>56,419</b>	<b>206,484</b>
<b>Reconciliation of funds</b>						
Funds brought forward at 1 September 2013	17	-	34,265	172,219	206,484	-
<b>Funds carried forward at 31 August 2014</b>		<b>-</b>	<b>(106,967)</b>	<b>369,870</b>	<b>262,903</b>	<b>206,484</b>

All of the Academy's activities derive from continuing operations in the current financial year.

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

**Wootton Primary School Academy Trust**

**Balance sheet as at 31 August 2014**

		<b>2014</b>		<b>2013</b>	
		£	£	£	£
	Notes				
<b>Fixed assets</b>					
Tangible assets	13		369,870		81,939
<b>Current assets</b>					
Stock	14	-		-	
Debtors	15	44,025		37,348	
Cash at bank and in hand		281,652		395,284	
		<u>325,677</u>		<u>432,632</u>	
<b>Creditors: Amounts falling due within one year</b>	16	<u>(89,644)</u>		<u>(48,087)</u>	
<b>Net current assets</b>			<u>236,033</u>		<u>384,545</u>
Total assets less current liabilities			605,903		466,484
<b>Net assets excluding pension liability</b>					
Pension scheme liability	27		(343,000)		(260,000)
			<u>262,903</u>		<u>206,484</u>
<b>Net assets including pension liability</b>			<u>262,903</u>		<u>206,484</u>
<b>Funds of the Academy:</b>					
<b>Restricted funds</b>					
Fixed asset fund(s)	17		369,870		172,219
General fund(s)	17		236,033		294,265
Pension reserve	17		(343,000)		(260,000)
<b>Total restricted funds</b>			<u>262,903</u>		<u>206,484</u>
<b>Unrestricted funds</b>	17		-		-
			<u>262,903</u>		<u>206,484</u>
<b>Total funds</b>			<u>262,903</u>		<u>206,484</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

The financial statements on pages 12 to 37 were approved by the Trustees, and authorised for issue on 17 November 2014 and are signed on their behalf by:

.....  
**N Roberts**  
**Chair of Trustees**

Company Limited by Guarantee  
 Registration Number 08199843

**Wootton Primary School Academy Trust**

**Cash Flow Statement for the year ended 31 August 2014**

	Notes	2014 £	2013 £
<b>Net cash inflow from operating activities</b>	21	132,815	135,187
Returns on investments and servicing of finance	22	492	306
Capital expenditure and financial investment	23	(246,939)	13,266
Cash transferred on conversion to an Academy Trust		-	246,525
<b>(Decrease)/Increase in cash in the year/period</b>	24	<u>(113,632)</u>	<u>395,284</u>

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

Net funds at 1 September 2013		395,284	-
<b>Net funds at 31 August 2014</b>		<u>281,652</u>	<u>395,284</u>

Notes to the Financial Statements for the Year Ended 31 August 2014

**1 Accounting Policies**

**Basis of Preparation**

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

**Going Concern**

The Governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Governors make this assessment in respect of a period of one year from the date of approval of the financial statements. After making appropriate enquiries at the balance sheet date, the governing body has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

**Incoming Resources**

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

- **Grants receivable**

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

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

- **Sponsorship income**

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

- **Donations**

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

- **Other income**

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

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

1 Accounting Policies (continued)

• **Donated Services and Gifts in Kind**

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

**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 on the Academy's educational operations.

• **Governance Costs**

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

All resources expended are inclusive of irrecoverable VAT.

**Tangible Fixed Assets**

Assets are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset, less its estimated residual value, over its expected useful lives, as follows:

Freehold buildings	2% straight line (i.e. over 50 years)
Long leasehold buildings	over the term of each lease
Long leasehold building improvements	5% straight line (i.e. over 20 years)
Fixtures, fittings and equipment	between 10% and 20% straight line (i.e. between 5 and 10 years)
Computer equipment (ICT)	33.3% straight line (i.e. over 3 years)

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

**Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)**

**1 Accounting Policies (continued)**

**Tangible Fixed Assets (continued)**

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 against income on a 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 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.

**Pensions Benefits**

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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 27, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on 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.

**Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)**

**1 Accounting Policies (continued)**

**Fund Accounting**

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

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

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



Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

**2 General Annual Grant (GAG)**

There is no limit on the amount of GAG permitted to be carried forward from one year to the next.

**3 Voluntary Income**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2014 £</b>	<b>Total 2013 £</b>
Private sponsorship	-	-	-	
Other donations	-	8,560	8,560	25,041
	<u>-</u>	<u>8,560</u>	<u>8,560</u>	<u>25,041</u>

**4 Activities for Generating Funds**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2014 £</b>	<b>Total 2013 £</b>
Hire of facilities	63,008	-	63,008	43,457
Catering income	-	-	-	1,747
	<u>63,008</u>	<u>-</u>	<u>63,008</u>	<u>45,204</u>

**5 Investment Income**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2014 £</b>	<b>Total 2013 £</b>
Short term deposits	492	-	492	306
	<u>492</u>	<u>-</u>	<u>492</u>	<u>306</u>

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

6 Funding for Academy's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
<b>DfE/EFA revenue grants</b>				
General Annual Grant (GAG) (note 2)	-	1,451,504	1,451,504	1,282,097
Start Up Grants	-	-	-	-
Capital Grants	-	108,251	108,251	90,280
Other DfE/EFA grants	-	49,757	49,757	16,581
	<u>-</u>	<u>1,609,512</u>	<u>1,609,512</u>	<u>1,388,958</u>
<b>Other Government grants</b>				
Local authority grants	-	19,983	19,983	42,064
Special educational projects	-	-	-	-
	<u>-</u>	<u>19,983</u>	<u>19,983</u>	<u>42,064</u>
	<u>-</u>	<u>1,629,495</u>	<u>1,629,495</u>	<u>1,431,022</u>

7 Resources Expended

	Staff Costs £	Non Pay Expenditure Premises £	Other Costs £	Total 2014 £	Total 2013 £
Costs of generating voluntary income	-	-	-	-	-
Costs of activities for generating funds	-	-	-	-	-
Academy's educational operations					
Direct costs	1,047,082	-	173,543	1,220,625	1,027,328
Allocated support costs	160,972	92,503	56,246	309,721	260,339
	<u>1,208,054</u>	<u>92,503</u>	<u>229,789</u>	<u>1,530,346</u>	<u>1,287,667</u>
Governance costs including allocated support costs	895	-	30,895	31,790	37,050
	<u>895</u>	<u>-</u>	<u>30,895</u>	<u>31,790</u>	<u>37,050</u>

The method used for the apportionment of support costs is disclosed in the accounting policies.

	2014 £	2013 £
<b>Incoming/outgoing resources for the year/period include:</b>		
Operating leases	-	2,006
Fees payable to auditor		
Audit	3,260	3,260
Other services	6,175	5,000
Depreciation – owned assets	66,834	35,178
(Profit)/loss on disposal of fixed assets	425	-
	<u>76,694</u>	<u>45,444</u>

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

8 Charitable Activities - Academy's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
<b>Direct costs</b>				
Teaching and educational support staff costs	-	1,047,082	1,047,082	915,325
Depreciation	-	66,834	66,834	35,178
(Profit)/loss on disposal of fixed assets	-	425	425	-
Educational supplies	-	65,910	65,910	46,053
Examination fees	-	-	-	-
Staff development	-	14,222	14,222	4,702
Educational consultancy	-	-	-	-
Other direct costs	-	26,152	26,152	26,070
	-	<u>1,220,625</u>	<u>1,220,625</u>	<u>1,027,328</u>
<b>Allocation supported costs</b>				
Support staff costs	-	160,972	160,972	108,472
Depreciation	-	-	-	-
Technology costs	-	14,651	14,651	21,077
Recruitment and support	-	2,875	2,875	1,064
Maintenance of premises and equipment	-	46,201	46,201	54,413
Cleaning	-	16,030	16,030	14,292
Rent & rates	-	8,578	8,578	11,476
Energy costs	-	13,109	13,109	15,509
Insurance	-	9,709	9,709	9,047
Security and transport	-	-	-	-
Catering	-	13,377	13,377	6,035
Bank interest and charges	-	30	30	-
Other support costs	-	24,189	24,189	18,954
	-	<u>309,721</u>	<u>309,721</u>	<u>260,339</u>
	-	<u>1,530,346</u>	<u>1,530,346</u>	<u>1,287,667</u>

9 Governance Costs

	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
Legal and professional fees	-	21,460	21,460	28,470
Auditor's remuneration				
• Audit of financial statements	-	3,260	3,260	3,260
• Other audit costs	-	6,175	6,175	5,000
Support staff costs:				
Trustees' reimbursed expenses	-	895	895	320
	-	<u>31,790</u>	<u>31,790</u>	<u>37,050</u>

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

10 Staff Costs

	2014 £	2013 £
Staff costs during the year/period were:		
Wages and salaries	981,397	850,435
Social security costs	44,532	34,907
Pension costs	157,342	132,421
	<u>1,183,271</u>	<u>1,017,763</u>
Supply teacher costs	24,783	6,034
Compensation payments	-	-
	<u>1,208,054</u>	<u>1,023,797</u>

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

	2014 Number	2014 Full-time equivalent	2013 Number	2013 Full-time equivalent
<b>Charitable Activities</b>				
Teachers	21	18	21	17
Administration and support	36	18	38	20
Management	4	3	3	2
	<u>61</u>	<u>39</u>	<u>62</u>	<u>39</u>

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

	2014 Number	2013 Number
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
	<u>1</u>	<u>1</u>

The above employee participated in the Teacher's Pension Scheme. During the year ended 31 August 2014, pension contributions for these staff amounted to £9,865 (2013: £8,898).

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

**11 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.

No Trustees received any payments, other than expenses, from the Academy Trust in respect of their role as Trustees.

The value of Trustees' remuneration was as follows:

	2014	2013
L Schofield (Principal and Trustee):	£75,000-£80,000	£70,000-£75,000
S Brooks (Staff Trustee):	£45,000-£50,000	£35,000-£40,000
T Chapman (Staff Trustee):	£40,000-£45,000	£30,000-£35,000
S Hornsby (Staff Trustee):	£35,000-£40,000	-
C Meachem (Staff Trustee):	£5,000-£10,000	£5,000-£10,000

During the year ended 31 August 2014 no expenses were reimbursed to Trustees.

**12 Governors' and Officers' Insurance**

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2014 was £875 (2013: £875). The cost of this insurance is included in the total insurance cost, after accounting for any prepayment necessary where the period of cover differs to the Academy year.

**13 Tangible Fixed Assets**

	Freehold Land and Buildings	Long Leasehold Land and Buildings	Long Leasehold Building Improvements	Fixtures, Fittings and Equipment	Computer (ICT) Equipment	Total
<b>Cost</b>						
At 1 September 2013	-	-	-	47,926	69,191	117,117
Additions	-	-	246,359	70,267	38,564	355,190
Disposals	-	-	-	-	(1,950)	(1,950)
At 31 August 2014	-	-	246,359	118,193	105,805	470,357
<b>Depreciation</b>						
At 1 September 2013	-	-	-	7,331	27,847	35,178
Charged in year	-	-	12,318	17,589	36,927	66,834
Disposals	-	-	-	-	(1,525)	(1,525)
At 31 August 2014	-	-	12,318	24,920	63,249	100,487
<b>Net book values</b>						
At 31 August 2014	-	-	234,041	93,273	42,556	369,870
At 31 August 2013	-	-	-	40,595	41,344	81,939

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

14 Stock

	2014 £	2013 £
Clothing	-	-
Catering	-	-
	<u>-</u>	<u>-</u>

15 Debtors

	2014 £	2013 £
Trade debtors	3,709	3,255
VAT recoverable	31,871	6,248
Other debtors	-	-
Prepayments and accrued income	8,445	27,845
	<u>44,025</u>	<u>37,348</u>

16 Creditors: amounts falling due within one year

	2014 £	2013 £
Trade creditors	-	13,523
Taxation and social security	14,668	16,524
EFA creditor: abatement of GAG	-	-
Other creditors	-	-
Accruals and deferred income	74,976	18,040
	<u>89,644</u>	<u>48,087</u>

Deferred income

	2014 £	2013 £
Deferred income at 1 September 2013	-	-
Resources deferred in the year	37,037	-
Amounts released from previous years	-	-
Deferred Income at 31 August 2014	<u>37,037</u>	<u>-</u>

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

17 Funds

	Balance at 1 September 2013 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2014 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	294,265	1,451,504	(1,416,577)	(93,159)	236,033
Local authority grants	-	19,983	(19,983)	-	-
Other DfE/EFA grants	-	49,757	(49,757)	-	-
Surplus on conversion	-	-	-	-	-
Catering income	-	-	-	-	-
Donations/contributions	-	8,560	(8,560)	-	-
	294,265	1,529,804	(1,494,877)	(93,159)	236,033
Pension reserve	(260,000)	-	-	(83,000)	(343,000)
	34,265	1,529,804	(1,494,877)	(176,159)	(106,967)
<b>Restricted fixed asset funds</b>					
DfE/EFA capital grants	90,280	108,251	(16,283)	-	182,248
Capital expenditure from GAG	56,684	-	(39,578)	156,659	173,765
Assets donated on conversion	25,255	-	(11,398)	-	13,857
	172,219	108,251	(67,259)	156,659	369,870
<b>Total restricted funds</b>	206,484	1,638,055	(1,562,136)	(19,500)	262,903
<b>Unrestricted funds</b>	-	63,500	-	(63,500)	-
<b>Total funds</b>	206,484	1,701,555	(1,562,136)	(83,000)	262,903

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

Restricted General Funds will be used for educational purposes in line with the Academy Trusts objects and its funding agreement with the EFA.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

Restricted Fixed Asset Funds represent resources which have been supplied to specific capital purposes imposed by the funder together with cash resources still to be expended. During the year a transfer of £93,159 (2013: £77,014) was made from Restricted General Funds to represent capital expenditure met from GAG income.

Restricted Pension Reserve Funds included within restricted general funds represent the Academy Trusts share of the net assets and liabilities of the Local Government Pension Scheme.

18 Analysis of net assets between funds

Fund balances at 31 August 2014 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds 2014 £	Total Funds 2013 £
Tangible fixed assets	-	-	369,870	369,870	81,939
Current assets	-	325,677	-	325,677	432,632
Current liabilities	-	(89,644)	-	(89,644)	(48,087)
Pension scheme liability	-	(343,000)	-	(343,000)	(260,000)
<b>Total net assets</b>	-	(106,967)	369,870	262,903	206,484

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

19 Capital commitments

	2014 £	2013 £
Contracted for, but not provided in the financial statements	-	-

20 Financial commitments

*Operating leases*

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

	2014 £	2013 £
<b>Land and buildings</b>		
Expiring within one year	-	-
Expiring within two and five years inclusive	-	-
Expiring in over five years	-	-
	<u>-</u>	<u>-</u>
<b>Other</b>		
Expiring within one year	-	-
Expiring within two and five years inclusive	-	-
Expiring in over five years	-	-
	<u>-</u>	<u>-</u>

21 Reconciliation of net income to net cash inflow from operating activities

	2014 £	2013 £
Net income	139,419	233,484
Net assets donated on conversion	-	(40,103)
Cash transferred from local authority on conversion	-	(246,525)
Pension deficit transferred from local authority on conversion	-	230,000
Capital grants from DfE and other capital income	(108,251)	(90,280)
Depreciation (note 13)	66,834	35,178
(Profit)/loss on disposal of fixed assets	425	-
Interest receivable (note 5)	(492)	(306)
FRS 17 pension cost less contributions payable (note 27)	(7,000)	(5,000)
FRS 17 pension finance income (note 27)	9,000	8,000
(Increase)/decrease in debtors	(6,677)	(37,348)
Increase/(decrease) in creditors	39,557	48,087
<b>Net cash inflow from operating activities</b>	<u>132,815</u>	<u>135,187</u>

22 Returns on investments and servicing of finance

	2014 £	2013 £
Interest received	492	306
<b>Net cash inflow from returns on investment and servicing of finance</b>	<u>492</u>	<u>306</u>



Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

**23 Capital expenditure and financial investment**

	2014 £	2013 £
Purchase of tangible fixed assets	(355,190)	(77,014)
Capital grants from DfE/EFA	108,251	90,280
Capital funding received from sponsors and others	-	-
Receipts from sale of tangible fixed assets	-	-
<b>Net cash outflow from capital expenditure and financial investment</b>	<u>(246,939)</u>	<u>13,266</u>

**24 Analysis of changes in net funds**

	At 1 September 2013 £	Cash flows £	At 31 August 2014 £
Cash in hand and at bank	<u>395,284</u>	<u>(113,632)</u>	<u>281,652</u>
	395,284	(113,632)	281,652

**25 Contingent Liabilities**

During the period of the Funding Agreement, in the event of the sale or disposal by other means, of any asset for which a capital grant was made by the Secretary of State to the Academy Trust, the Academy Trust is required, either to re-invest the proceeds, or to repay the Secretary of State the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State, unless the Secretary of State agrees to some or all of the proceeds being retained by the Academy Trust for its charitable purposes.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy Trust serving notice, the Academy Trust shall in respect of its capital assets at the date of termination:

- a) Promptly transfer a proportion of the assets to a person nominated by the Secretary of State, if the Secretary of State considers that all or some of those assets need to be used for educational purposes by that nominee. The proportion of the assets to be transferred shall be the same proportion of the capital contribution made by the Secretary of State to the original value of those assets, whether that contribution was made on the establishment of the Academy Trust or later; or
- b) If the Secretary of State confirms that a transfer per (a) above is not required, promptly repay to the Secretary of State a sum equivalent to the percentage of the value of assets at the date of termination, or, by agreement with the Secretary of State, at the date of subsequent disposal of those assets. Such percentage to be the same as the percentage of the capital contribution made by the secretary of State to the original value of those assets, whether that contribution was made on the establishment of the Academy Trust or later.

**26 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 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.

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

**27 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 Hymans Robertson LLP. 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 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 year.

**Teachers' Pension Scheme**

***Introduction***

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014.

Membership is automatic for full-time teachers in academies and, 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 Year Ended 31 August 2014 (continued)

**27 Pension and similar obligations (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 State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

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

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

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

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

**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 £81,455, of which employer's contributions totalled £65,127 and employees' contributions totalled £16,328. The agreed contribution rates for future years are 22.6% (capped rate, actual rate is 25.6% for employers and 5.5%-5.8% for employees (we do not have anyone on higher as paid on actual salary)).

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.

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

27 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Principal Actuarial Assumptions:

	At 31 August 2014	At 31 August 2013
Rate of increase in salaries	4.4%	5.1%
Rate of increase for pensions in payment / inflation	2.6%	2.8%
Discount rate for scheme liabilities	3.7%	4.6%
Inflation assumption (CPI)	2.8%	2.8%
Commutation of pensions to lump sums	50%	50%

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

	At 31 August 2014	At 31 August 2013
<b>Retiring today</b>		
Males	22.3	21.4
Females	24.3	23.3
<b>Retiring in 20 years</b>		
Males	24.0	23.4
Females	26.6	25.5

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

	Expected return at 31 August 2014	Fair value at 31 August 2014 £	Expected return at 31 August 2013	Fair value at 31 August 2013 £
Equities	6.4%	238,000	6.7%	147,000
Bonds	2.9%	63,000	3.5%	36,000
Property	4.5%	23,000	4.7%	10,000
Cash	3.3%	10,000	3.6%	8,000
<b>Total market value of assets</b>		334,000		201,000
Present value of scheme liabilities				
- Funded		(677,000)		(461,000)
<b>Surplus/(deficit) in the scheme</b>		(343,000)		(260,000)

The expected return on assets is based on the long term future expected investment return on each asset class as at the beginning of the year.

The actual return on scheme assets was £29,000.

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

27 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Amounts recognised in the statement of financial activities:

	2014 £	2013 £
Current service cost (net of employee contributions)	71,000	45,000
Past service cost	-	-
Total operating charge	<u>71,000</u>	<u>45,000</u>

Analysis of pension finance income / (costs):

Expected return on pension scheme assets	14,000	7,000
Interest on pension liabilities	<u>(23,000)</u>	<u>(15,000)</u>
<b>Pension finance income / (costs)</b>	<u>(9,000)</u>	<u>(8,000)</u>

The actual gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £110,000 loss (2013 : £27,000 loss)..

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

	2014 £	2013 £
At 1 September 2013	461,000	-
On conversion	-	351,000
Current service cost	71,000	45,000
Past service cost	-	-
Interest cost	23,000	15,000
Employee contributions	16,000	13,000
Actuarial (gain)/loss	107,000	37,000
Curtailments and settlements	-	-
Benefits paid	(1,000)	-
<b>At 31 August 2014</b>	<u>677,000</u>	<u>461,000</u>

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

	2014 £	2013 £
At 1 September 2013	201,000	-
On conversion	-	121,000
Expected return on assets	14,000	7,000
Actuarial gain/(loss)	40,000	10,000
Employer contributions	64,000	50,000
Employee contributions	16,000	13,000
Benefits paid???	(1,000)	-
<b>At 31 August 2014</b>	<u>334,000</u>	<u>201,000</u>

The estimated value of employer contributions for the year ended 31 August 2014 is £64,000 (2013: £50,000).

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

27 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

The five-year history of experience adjustments is as follows:

	2014 £	2013 £
Present value of defined benefit obligations	(677,000)	(461,000)
Fair value of share of scheme assets	334,000	201,000
Surplus/(Deficit) in the scheme	<u>(343,000)</u>	<u>(260,000)</u>
Experience adjustments on share of scheme assets	40,000	11,000
Experience adjustments on scheme liabilities	<u>(2,000)</u>	<u>-</u>

28 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, the Academies Financial Handbook and normal procurement procedures.

29 Events after the balance sheet date

There are no events after the balance sheet date that require disclosure.