

Company Registration No. 07452837 (England and Wales)

LAVINGTON SCHOOL LIMITED
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2015

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LAVINGTON SCHOOL LIMITED

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 10
Governance statement	11 - 14
Statement on regularity, propriety and compliance	15
Statement of trustees' responsibilities	16
Independent auditor's report on the accounts	17 - 18
Independent reporting accountant's report on regularity	19 - 20
Statement of financial activities	21
Balance sheet	22
Cash flow statement	23
Notes to the accounts	24 - 41

LAVINGTON SCHOOL LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

K Bate (Staff Trustee) (Resigned 2 February 2015)
D Cook *
J Dyer
A Holloway *
J Howells
R Lee *
E Oddy
A Purcell (Parent Trustee)
A Rogers (Parent Trustee) (Resigned 2 February 2015)
J Shatford
G Sprigg (Chair of Trustees)
K Stachiewicz (Parent Trustee)
N Wragg (Resigned 23 March 2015)
M Watson (Principal and Accounting Officer) (Resigned 31 December 2014)
N Black (Parent Trustee)
P Stephenson (Staff Trustee) *
P Salaman (Appointed 17 May 2015)
M Fricker (Parent Trustee) (Appointed 16 March 2015) *
S Ross (Parent Trustee) (Appointed 16 March 2015)
E Wallace (Parent Trustee) (Appointed 16 March 2015)
S Lowkis (Principal and Accounting Officer) (Appointed 1 January 2015)
G Jones (Staff Trustee) (Resigned 1 October 2015)

* members of the Business Management Committee

Members

D Cook
R Lee
G Sprigg

Senior Leadership Team

- Headteacher	Martin Watson until 31/12/2014
- Headteacher	Sarah Lowkis from 01/01/2015
- Deputy Headteacher	Daniela DeCet
- Deputy Headteacher	Gary Ford
- Assistant Headteacher	Lisa Adams from 01/01/2015
- Assistant Headteacher	Dan Dean from 01/01/2015
- Assistant Headteacher	Anna Woodman from 01/01/2015
- Business Manager	Angela Downing

Company secretary

Mrs A Downing

Company registration number

07452837 (England and Wales)

LAVINGTON SCHOOL LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

Registered office

The Spring
Market Lavington
Devizes
Wiltshire
SN10 4EB

Independent auditor

Moore Stephens (South) LLP
33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Bankers

Lloyds Bank Plc
38 Market Place
Devizes
Wiltshire
SN10 1JD

Solicitors

Goughs
5 Bath Road
Melksham
Wiltshire
SN12 6LN

LAVINGTON SCHOOL LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The trustees present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for students aged 11-16 serving a rural catchment area in Market Lavington and the surrounding villages. The Academy's Planned Admission Number has been increased this year from 137 to 150 per year. We have 687 for September 2015.

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 act as the trustees for the charitable activities of Lavington School Limited and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Lavington School Limited.

The trustees of Lavington School Limited are also the directors of the charitable company for the purposes of company law. 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

Subject to the provisions of the Companies Act 2006 every trustee or other officer or auditor of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by him in that capacity in relation to the affairs of the Academy Trust. Lavington School is a member of the DfE's Risk Protection Arrangement (RPA) and has unlimited liability cover in this regard to the value.

Principal Activities

Secondary education of students 11-16

Method of recruitment and appointment or election of trustees

The Trustees are directors of the charitable company for the purposes of the Companies Act 1985 and trustees for the purposes of charity legislation.

Terms of office last for four years and trustees are subject to retirement by rotation but are eligible for re-election at the meeting at which they retire. Trustee vacancies, including those for Parent Trustees, are advertised in the school newsletter which is distributed to all parents. The trustees were in office on 1 September 2014 and served until the end of the financial year 31 August 2015 except where indicated on the full list above.

The articles of association require the members of the charitable company to appoint up to 18 trustees, including:

- The Headteacher
 - Two other staff trustees. All staff are invited to stand for election as a staff trustee. Where there are more candidates than vacancies, all staff are invited to vote for their preferred candidate(s).
 - Five parent trustees. All parents are invited to stand for election as a parent trustee. Where there are more candidates than vacancies, all parents are invited to vote for their preferred candidate(s).
 - Ten other trustees
-

LAVINGTON SCHOOL LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Policies and procedures adopted for the induction and training of trustees

There is an induction process for new trustees, including a tour of the Academy and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees.

Training for trustees includes:

- Briefings prior to full trustees' meetings on topics relevant to all.
- In-house sessions for those trustees with specific responsibilities (e.g. Child protection, special needs, finance etc).
- Access to a wide range of external courses. Individual governors have attended safeguarding and SEN courses as well as training for chairing meetings.

Organisational structure

Trustees' responsibilities are aligned with those of the 5 members of the Senior Leadership Team. Generally, three trustees sit on one of five groups as follows:-

Working group/committee	Senior Leadership Team Member
Leadership and effectiveness	Headteacher
Achievement and standards	Deputy Headteacher - Achievements and Standards
Personal development	Deputy Headteacher - Personal development
Teaching and Learning	Deputy Headteacher - Teaching and learning
Business Management (including finance)	Business Manager

This structure aims to involve trustees closely and in a meaningful way in school development and decision making, rather than simply receiving reports.

The Full Governing Body is responsible for major decisions including setting the school budget, capital expenditure and senior staff appointments.

Spending within the agreed budget is devolved to the Senior Leadership Team, with regular reports (at least 5 times per year) to the Business Management Committee and the governing body.

Connected organisations including related party relationships

Lavington School is a member of the West Wiltshire Alliance which is a soft federation of secondary schools in Melksham, Trowbridge, Westbury, Warminster and Market Lavington. The WWA has successfully obtained grant funding which has supported intervention in this period. In addition, schools in WWA have shared resources to run an alternative learning facility and staff training events.

Governance of the WWA is separate from that of the school and has no impact on school operating policies.

Lavington School has strong links with its feeder school in the surrounding villages and has supported their teaching of mathematics on a weekly basis. The school has also run a Primary PE programme for primary schools, and has hosted various sports festivals for primary schools. These have proved popular and successful and will be continued into next year.

LAVINGTON SCHOOL LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Objectives and activities

Objects and aims

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Lavington School aims to:

- Ensure that every student enjoys a quality education in terms of resourcing, tuition and pastoral care
- Raise the standard of educational achievement of all pupils
- Improve the effectiveness of the school by keeping curriculum, teaching and learning and organisation structure under continual review
- Provide value for money
- Comply with all statutory and curriculum requirements
- Maintain close links with primary schools and other local schools
- Conduct the school's business in accordance with the highest standards of integrity, probity and openness.

Objectives, strategies and activities

Following notice of the headteacher's intention to retire at Christmas 2014, the single most important objective of the last year was to appoint a capable and effective headteacher to continue the school's success.

The main curriculum objectives of the school during the 12 months ending 31 August 2015 are as detailed in the school improvement plan covering that period, the broad headings of which are as follows:-

Raise the proportion of classes making rapid and sustained progress by

- increasing the proportion of outstanding teaching
- accelerating progress and achievement, particularly for Pupil Premium students.
- improving progress in English, and narrowing the gap between maths and English and likewise the gender gap in English narrows.
- ensuring the gap for Pupil Premium students in Y11 narrows.
- meeting the criteria from Ofsted framework for "outstanding " judgement

Teaching and learning priorities:

- embed the home learning framework to ensure all students make progress beyond the classroom.
- marking and feedback is effective for all learner
- use the new Show My Homework software to support the above

Further develop students' skills, including literacy and numeracy by

- greater consistency in the teaching of numeracy across the curriculum so that students make more progress in related course components.
- improving students' literacy skills with the gap narrowed for all disadvantaged students.
- auditing Years 9 and 10 students whose progress and/or achievement is being hindered by poor literacy and comprehension skills, to discover what obstructs their progression and apply intervention strategies.

Adopt strategies in the classroom which have impact on individuals' development

- use class context sheets to inform planning, including stretch and challenge of the most able
- support for the disadvantaged (PP, gender gap FSM, Travelling community, Looked after, low attendance

Public benefit

The Academy Trust has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives. All the Trust's charitable activities are undertaken to further its charitable purposes for the public benefit, i.e. the education of secondary age children in the village of Market Lavington and the surrounding villages and area.

LAVINGTON SCHOOL LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Strategic report

Achievements and performance

After a rigorous selection programme, the trustees appointed a new headteacher for January 2015.

Regular internal teaching observations and evaluations showed a continuing and consistent improvement in performance

The senior leadership team was restructured, including a new post for a Pupil Premium champion. Pupil Premium students have had much closer scrutiny and interventions applied

Continued use of the assessment software product, SISRA, purchased in 2014 increased the capability and reliability of internal assessment and monitoring. The school is able to closely track performance against target for each student in each subject, and additionally to monitor progress of specific cohorts such as free school meals students and those attracting Pupil Premium. Close monitoring has enabled intervention to be well-targeted throughout the year, leading to improved results at year end.

The school joined the Partners in Excellence (PiXL) to provide staff with access to training opportunities and effective resources as well as a network of other successful schools .

New software to help with the organisation of parents evenings has been used successfully, particularly helping with following up hard-to-reach parents and encouraging them to attend

The first summer school was organised for Lavington School in August 2015, to give Pupil Premium students in our new intake - our most vulnerable learners - a flying start to secondary education.

Our successful first year with Show My Homework has been tracked as a case study to be published in the NAHT Leadership Focus

Our successful two years with cashless catering, particularly the increase in uptake of Free School Meals it has generated because of the anonymity it provides, has been presented as a case study for other schools by Nationwide Retail.

LAVINGTON SCHOOL LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Key performance indicators

Ofsted

Ofsted revisited in July 2014 and judged the school's overall effectiveness as "Good" with

Achievement of pupils	Good
Quality of teaching	Good
Behaviour and safety of pupils	Outstanding
Leadership and management	Outstanding

August 2015 GCSE results

Students obtained the even higher results than the previous year at GCSE. Indicative results are:

90% of students obtained GCSEs grade 5 A*-C

72% of students obtained GCSEs grade A* - C including English and maths.

The school has continues to be popular and has increased its Planned Admission Number for future admission rounds from 137 to 150.

Income exceeded expenditure by £168,185 in this financial period after removing depreciation and the loss on pension scheme. Financial performance was better than forecast, partly due to higher income eg via the catering function and a rise in Pupil Premium income but more due to tightening expenditure plans in the light of reduced school grant income (in real terms). Economies have been made where possible, cutting back where possible in areas that least affect teaching and learning. This includes restructuring the administration team.

Following a programme of various energy-reducing initiatives, the school has brought energy management in-house to save money. Consumption is regularly monitored and reviewed. Minimising energy usage and expenditure is always a consideration when building developments are planned. The school has negotiated a new electricity contract with Crown Commercial (Cabinet office procurement) from 1 September 2015 in order to minimise costs.

Out of school hours, the premises are available to outside hirers and the sports hall, in particular, is used every evening and occasionally at weekends. Cricket nets were purchased this year, with the financial support from a local club, making the sport hall even more attractive to outside groups. The sports hall is hired out at minimum cost, as a community benefit, to local groups in this rural location.

There has been a small turnover of staff this year, the most important being the change in headteacher following the previous postholder's retirement at Christmas 2014 after 18 years. Another long serving teacher left at the end of the academic year, and some part time and temporary staff have concluded their contracts. All permanent vacancies were filled for September 2015, so the next academic year starts with no vacancies. Lavington is also a popular place to work for supply teachers, with some choosing to teach only at Lavington and declining offers elsewhere.

Going concern

After making appropriate enquiries, 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 the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

LAVINGTON SCHOOL LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Financial review

This financial period started with net current assets of £283, 682 brought forward from the previous year.

In the same period, additional to the £3,293 940 General Annual Grant (GAG) from the Department for Education (DfE), which is main source of income, the school received other government funding in the form of Pupil Premium £109,710; Y7 Catch Up Funding £10,000; and Capital Formula of £ 15,826

The year ended on 31 August 2015 with net current assets of £434,405 (of which uncommitted funds are £392,017)

Reserves policy

The trustees review the reserve levels of the school annually. The school aims to use all financial resources for the purpose provided, ie to educate students and reserves are therefore generally kept to a minimum. The school has never run a deficit budget and secures its financial stability by a general contingency (£20,000 currently), a staffing contingency (£16,000) and by taking out supply cover insurance.

Reserves at the end of this period may contribute to costs associated with setting up a Multi Academy Trust with local primary schools and, simultaneously, extending the age range of our school to include a 6th form.

Investment policy and powers

Trustees review levels of cash held and consider putting this in a high-interest earning account if appropriate. Cash levels are generally fairly modest and in an interest-earning current account.

The favourable variance against budget at the end of 2014/15 will allow for investment of £50,000 in solar panels which are expected to generate an overall return of £10,000 pa (from the Feed in Tariff, coupled with access to cheaper electricity)

LAVINGTON SCHOOL LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Principal risks and uncertainties

The principal risks facing Lavington School are:-

1. Risk of reducing funding from government. This risk faces all schools in the uncertain financial climate.

The school mitigates this risk by

- maintaining popularity by consistently delivering high quality teaching, learning and results
- continually maintaining very efficient staffing levels and
- actively marketing the school to maintain numbers on roll.
 - the school is actively pursuing an age-range extension in order to secure high quality provision at 6th form level. Demand from parents and students indicates that this will add to the school's popularity and long term future, as well as helping retain key and specialist staff.
 - The school is actively pursuing establishing, with local primary schools, a Multi Academy Trust (MAT), with a view to securing consistent high quality education for children 5 - 18 years , as well as generating financial economies of scale and other cost efficiencies.

2. Risk of financial mis-management or fraud

- The school follows a robust system of internal financial controls to minimise risk
- The school employs an external Responsible Officer and auditors to carry out independent regular checks on these financial systems and processes to ensure they are adhered to. A written report is produced for trustees. Finance and software training is available for staff.

3. Risk of loss of computers and data

The impact of such a loss would be considerable but the school minimises this risk by

- Backing up data in school
- Consulting with experts to ensure that computer systems have all relevant securities in place eg anti-virus, security settings, etc.
- All data is backed up remotely in addition and backups are taken daily, weekly and monthly to ensure access to all

4. Safeguarding risk

The school vets all new staff, governors and volunteers, taking up previous employer references for new staff and obtaining DBS clearance for all. In addition, the school's Safeguarding Policy is available electronically and is widely publicised via noticeboards. All staff and some onsite contractors receive annual update training to ensure their own understanding of and adherence to the policy, as well as their vigilance in ensuring it is followed by all

5. Critical incident or other emergency

- A plan (hard copy and electronic copy) is in place to deal with most likely situations and copies are kept on and off site.

Financial and Risk Management Objectives and Policies

All support staff in the school have the opportunity to participate in the Local Government Pension Scheme which, until 31 March 2014 was a defined benefit scheme based on Final Salary.

During this financial period the school's liability in the scheme has increased significantly from £604,000 (31/08/2013) to £604,000 (31 August 2014) to £806,000 at 31 August 2015.

Employer contributions have been established at a fixed rate until March 2017. The school is contributing an additional annual sum towards reducing the liability but it is anticipated that the biggest impact come – eventually – from an increase in bank interest and investment rates. Coupled with the major scheme change to Career Average and more participants in the scheme, the liability should reduce in the long term without significant additional contributions being required.

LAVINGTON SCHOOL LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Plans for future periods

The plan for the period September 15 – August 16 will focus on:-

Outstanding leadership

- Trustees have appointed a highly qualified and capable headteacher, and are committed to continue for the school's improvement at Lavington, and to work with other schools as part of a MAT, in order to secure quality provision for children from 5 years onwards
- To pursue 6th form provision at Lavington School and related capital funding

Outstanding teaching and learning

- Continue to work towards all teaching being outstanding by monitoring and evaluating lessons, and by providing high quality CPD in-house, as part of the soft federation (WVA) and by subscribing to external providers (PiXL).
- Continuing tracking and intervention so that all students achieve their potential
- A particular focus on students in receipt of free school meals and Pupil Premium to minimise the adverse effects of deprivation on their educational achievement

Outstanding curriculum

- Each department draws up its own plan towards these achieving these objectives. The plan is agreed by Trustees and the Senior Leadership Team, progress is monitored and reviewed at the year end.

Funds held as custodian trustee on behalf of others

The school is currently acting as treasurer for the Wiltshire Association of Secondary and Special School Headteachers (WASSH) but these funds are held in a separate bank account operated by the school and do not form part of the school accounts.

Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees 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.

A resolution proposing that Moore Stephens (South) LLP be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees on 07 December 2015 and signed on its behalf by:


G Sprigg

Chair of Trustees



LAVINGTON SCHOOL LIMITED

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Headteacher, 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 Lavington School Limited and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
K Bate (Staff Trustee) (Resigned 2 February 2015)	2	2
D Cook	6	6
J Dyer	6	6
A Holloway	4	6
J Howells	3	6
R Lee	6	6
E Oddy	5	6
A Purcell (Parent Trustee)	5	6
A Rogers (Parent Trustee) (Resigned 2 February 2015)	0	2
J Shatford	4	6
G Sprigg (Chair of Trustees)	5	5
K Stachiewicz (Parent Trustee)	6	6
N Wragg (Resigned 23 March 2015)	0	2
M Watson (Principal and Accounting Officer) (Resigned 31 December 2014)	2	2
N Black (Parent Trustee)	5	6
P Stephenson (Staff Trustee)	5	6
P Salaman (Appointed 17 May 2015)	1	1
M Fricker (Parent Trustee) (Appointed 16 March 2015)	3	3
S Ross (Parent Trustee) (Appointed 16 March 2015)	3	3
E Wallace (Parent Trustee) (Appointed 16 March 2015)	3	3
S Lowkis (Principal and Accounting Officer) (Appointed 1 January 2015)	4	4
G Jones (Staff Trustee) (Resigned 1 October 2015)		

LAVINGTON SCHOOL LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Challenges to the governing body

The governors were required to appoint a head teacher in the first term the school year. Shortlisting and interviews were delegated to a suitably experienced and skilled team and the appointment was ratified by the full governing body. The school has continued to improve and develop under the new leadership

Progress and information briefings were arranged, delivered by middle and senior leaders immediately before each of the six full governing body meetings during the year. This has given governors a very clear picture of the strengths, weaknesses and strategies to address of different departments, and a good understanding of predictions for GCSE attainment in the summer.

The effectiveness of the governing body

- a. The effectiveness of the governing body was reviewed as part of the July 2014 Ofsted inspection, which judged leadership as outstanding.
- b. Governors annually audit the skills set of the full governing board, producing a matrix to demonstrate the spread of skills and distribution at committee level. Committees have the benefit of appropriately qualified and experienced members and new members are allocated according to their skill set and interest. Training and development opportunities are always available. Following the previous audit in 2014, governors have increased interaction between and across membership of committees and this has been fruitful.

Review of value for money

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

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

- Improving educational outcomes. With the same funding streams and rates as other local schools, Lavington achieves results which are well above average nationally and locally. GCSE results 5 A*-C in 2015 were 90%, and 72% including English and math, putting us in the top 20% nationally. Wiltshire is one of the lowest funded local authorities so this is particularly significant.
- The school has a balancing budget which has been achieved by careful management and scrutinizing all expenditure for best value. The focus has been on reducing those costs which do not impact on high quality teaching and learning provision (energy and water management; risk- pooling instead of insurance; cashless catering; print management; online banking; electronic communication)
- We are acutely aware of the need for an efficient staffing structure, both for teaching and support staff. We restructure when necessary to achieve value for money (eg admin team and leadership team in the last year). Teachers with free periods beyond their PPA allowance use the extra time to undertake focused activities to benefit teaching and learning, such as intervention work

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 trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Lavington School Limited for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and accounts.

LAVINGTON SCHOOL LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Capacity to handle risk

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

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Business Management Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The governing body considered the need for a specific internal audit function and employed, as Responsible Officer, the services of Mr David Wheen, recently retired school business manager of another local secondary school.

The role includes performing a range of checks on the school's financial systems including

- Payroll system
- Testing purchase systems
- Testing the internal control processes have been adhered to
- Checking bank reconciliations

Visits were on a quarterly basis with written reports submitted to the Business Management Committee. Advice may also be given on financial matters and governing body's financial responsibilities. This is a different arrangement from the previous year (using Wiltshire Council) due to the requirement for regularly spaced visits.

The function has been and will be delivered in line with EFA requirements and no material control issues have arisen.

Review of effectiveness

As accounting officer the Headteacher 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 work of the Business Management Committee
- Regular meetings with the School's Business Manager who has responsibility for the development and maintenance of the internal controls framework

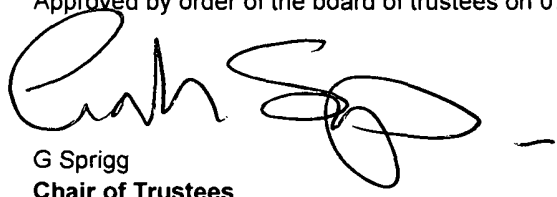
LAVINGTON SCHOOL LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

The Accounting Officer is aware of the implications of the findings of all reviews. Only minor weaknesses have been identified at any point and these have all been addressed.

Approved by order of the board of trustees on 07 December 2015 and signed on its behalf by:



G Sprigg
Chair of Trustees



S Lowkis
Principal and Accounting Officer

LAVINGTON SCHOOL LIMITED

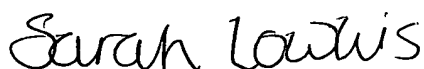
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2015

As accounting officer of Lavington School Limited I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

Approved on 07 December 2015 and signed by:



S Lowkis
Accounting Officer

LAVINGTON SCHOOL LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who also act as governors for Lavington School Limited and are also the directors of Lavington School Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts 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 accounts for each financial year. Under company law the trustees must not approve the accounts 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 accounts, the trustees are required to:

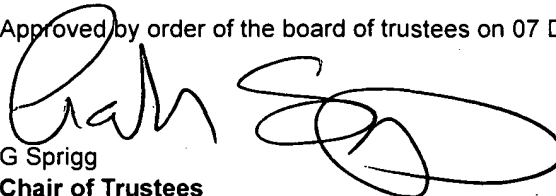
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the board of trustees on 07 December 2015 and signed on its behalf by:


G Sprigg
Chair of Trustees

LAVINGTON SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LAVINGTON SCHOOL LIMITED

We have audited the accounts of Lavington School Limited for the year ended 31 August 2015 set out on pages 21 to 41. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the EFA.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 16, the trustees, who are also the directors of Lavington School Limited for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts 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 accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts 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 accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

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

LAVINGTON SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LAVINGTON SCHOOL LIMITED

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 accounts 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.



Andrew Williams (Senior Statutory Auditor)
Moore Stephens (South) LLP

Chartered Accountants

Statutory Auditor

33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Dated: 18th December 2015.

LAVINGTON SCHOOL LIMITED

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LAVINGTON SCHOOL LIMITED AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 12 August 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lavington School Limited during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Lavington School Limited's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Lavington School Limited's funding agreement with the Secretary of State for Education dated 06 December 2010 and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:


- consideration of the evidence supporting the accounting officer's statement on regularity, propriety and compliance;
- analytical procedures on the general activities of the academy trust;
- a review of minutes of committees and board meetings which may be relevant to regularity;
- consideration of discussions with key personnel including the accounting officer and governing body;
- tests of control have been carried out on a control activity which are relevant to regularity;
- substantive testing of individual transactions.

LAVINGTON SCHOOL LIMITED

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LAVINGTON SCHOOL 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 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Andrew Williams

Reporting Accountant

Moore Stephens (South) LLP

Dated: 18th December 2015

LAVINGTON SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds	Restricted funds	Fixed Asset funds	Total 2015	Total 2014
		£	£	£	£	£
<u>Incoming resources</u>	Notes					
<i>Resources from generated funds</i>						
- Voluntary income	2	24,870	8,666	-	33,536	20,782
- Activities for generating funds	3	158,153	175,543	-	333,696	177,562
- Investment income	4	609	-	-	609	621
<i>Resources from charitable activities</i>						
- Funding for educational operations	5	-	3,533,265	15,826	3,549,091	3,553,028
Total incoming resources		183,632	3,717,474	15,826	3,916,932	3,751,993
<u>Resources expended</u>						
<i>Costs of generating funds</i>						
<i>Charitable activities</i>						
- Educational operations	7	114,465	3,555,391	295,190	3,965,046	3,873,134
Governance costs	8	-	32,782	-	32,782	36,030
Total resources expended	6	114,465	3,588,173	295,190	3,997,828	3,909,164
Net incoming/(outgoing) resources before transfers		69,167	129,301	(279,364)	(80,896)	(157,171)
Gross transfers between funds		-	(21,392)	21,392	-	-
Net income/(expenditure) for the year		69,167	107,909	(257,972)	(80,896)	(157,171)
<u>Other recognised gains and losses</u>						
Actuarial gains/(losses) on defined benefit pension scheme	17	-	(173,000)	-	(173,000)	(226,000)
Net movement in funds		69,167	(65,091)	(257,972)	(253,896)	(383,171)
Fund balances at 1 September 2014		-	(320,318)	10,880,777	10,560,459	10,943,630
Fund balances at 31 August 2015		69,167	(385,409)	10,622,805	10,306,563	10,560,459

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

All of the academy's activities derive from continuing operations during the two financial periods above.

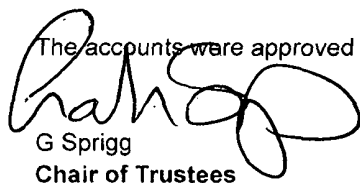
LAVINGTON SCHOOL LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	11	10,632,049		10,880,777	
Current assets					
Debtors	12	123,278		134,899	
Cash at bank and in hand		452,398		232,732	
		<u>575,676</u>		<u>367,631</u>	
Current liabilities					
Creditors: amounts falling due within one year	13	(95,162)		(83,949)	
Net current assets			480,514		283,682
Net assets excluding pension liability			<u>11,112,563</u>		<u>11,164,459</u>
Defined benefit pension liability	17	(806,000)		(604,000)	
Net assets			<u>10,306,563</u>		<u>10,560,459</u>
Funds of the academy trust:					
Restricted funds	15				
- Fixed asset funds		10,622,805		10,880,777	
- General funds		420,591		283,682	
- Pension reserve		(806,000)		(604,000)	
Total restricted funds		<u>10,237,396</u>		<u>10,560,459</u>	
Unrestricted income funds	15	69,167		-	
Total funds		<u>10,306,563</u>		<u>10,560,459</u>	

The accounts were approved by order of the board of trustees and authorised for issue on 07 December 2015.


G Sprigg
Chair of Trustees

Company Number 07452837

LAVINGTON SCHOOL LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

		2015	2014
	Notes	£	£
Net cash inflow/(outflow) from operating activities	18	249,692	127,540
Returns on investments and servicing of finance			
Investment income	609	621	
Financing costs	-	(25)	
Net cash inflow/(outflow) from returns on investments and servicing of finance		609	596
		250,301	128,136
Capital expenditure and financial investments			
Capital grants received	15,826	15,744	
Payments to acquire tangible fixed assets	(46,461)	(188,409)	
Net cash flow from capital activities		(30,635)	(172,665)
Increase/(decrease) in cash	19	219,666	(44,529)

LAVINGTON SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

1.1 Basis of preparation

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

1.2 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 accounts.

1.3 Incoming resources

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

Grants receivable

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable, where there is certainty of receipt and the value of the donation is measurable.

Donations

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

Other income

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

Donated services and gifts in kind

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

LAVINGTON SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

1.4 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 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.

1.5 Tangible fixed assets and depreciation

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

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

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

Land and buildings	2% Straight line
Computer equipment	33% Straight line
Fixtures, fittings & equipment	33% Straight line

1.6 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.7 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.

LAVINGTON SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

1.8 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 17, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each 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.

1.9 Fund accounting

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

Restricted fixed asset funds are 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 comprise all other restricted funds received and include grants from the Education Funding Agency.

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Other donations	24,870	8,666	33,536	20,782

LAVINGTON SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Hire of facilities/Music Fees	33,724	-	33,724	31,417
Catering income	-	157,753	157,753	131,537
Other restricted income	-	17,790	17,790	14,608
School Fund Activities income	124,429	-	124,429	-
	<u>158,153</u>	<u>175,543</u>	<u>333,696</u>	<u>177,562</u>

4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Short term deposits	560	-	560	621
Other investment income	49	-	49	-
	<u>609</u>	<u>-</u>	<u>609</u>	<u>621</u>

5 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
DfE / EFA grants				
General annual grant (GAG)	-	3,312,344	3,312,344	3,336,327
Capital grants	-	15,826	15,826	15,744
Other DfE / EFA grants	-	128,106	128,106	115,172
	<u>-</u>	<u>3,456,276</u>	<u>3,456,276</u>	<u>3,467,243</u>
Other government grants				
Local authority grants	-	31,485	31,485	17,478
Other grants	-	61,330	61,330	68,307
	<u>-</u>	<u>92,815</u>	<u>92,815</u>	<u>85,785</u>
Total funding	<u>-</u>	<u>3,549,091</u>	<u>3,549,091</u>	<u>3,553,028</u>

All resources expended are inclusive of irrecoverable VAT.

LAVINGTON SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

6 Resources expended

	Staff costs £	Premises & equipment £	Other costs £	Total 2015 £	Total 2014 £
Academy's educational operations					
- Direct costs	2,365,203	295,190	317,725	2,978,118	2,977,768
- Allocated support costs	495,177	111,443	380,308	986,928	895,366
	<u>2,860,380</u>	<u>406,633</u>	<u>698,033</u>	<u>3,965,046</u>	<u>3,873,134</u>
Other expenditure					
Governance costs	-	-	32,782	32,782	36,030
	<u>-</u>	<u>-</u>	<u>32,782</u>	<u>32,782</u>	<u>36,030</u>
Total expenditure	<u>2,860,380</u>	<u>406,633</u>	<u>730,815</u>	<u>3,997,828</u>	<u>3,909,164</u>
Net income/(expenditure) for the year includes:				2015	2014
				£	£
Operating leases					
- Other				25,464	28,303
Fees payable to auditor					
- Audit				4,200	3,975
- Other services				2,636	1,384
- Accounts				1,350	1,218
				<u>33,650</u>	<u>34,880</u>

LAVINGTON SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Direct costs				
Teaching and educational support staff costs	3,085	2,352,511	2,355,596	2,343,999
Depreciation	-	295,190	295,190	333,309
Technology costs	-	159,939	159,939	142,276
Educational supplies and services	10,322	78,111	88,433	83,175
Examination fees	-	51,029	51,029	48,291
Staff development	-	9,607	9,607	8,753
Other direct costs	-	18,324	18,324	17,965
	<u>13,407</u>	<u>2,964,711</u>	<u>2,978,118</u>	<u>2,977,768</u>
Allocated support costs				
Support staff costs	-	495,177	495,177	448,066
Technology costs	-	3,091	3,091	2,879
Recruitment and support	-	12,946	12,946	19,506
Maintenance of premises and equipment	-	111,443	111,443	156,502
Cleaning	-	8,349	8,349	13,472
Energy costs	-	50,240	50,240	56,555
Rent and rates	-	25,464	25,464	28,303
Insurance	-	44,572	44,572	46,503
Security and transport	-	8,755	8,755	8,326
Catering	-	89,805	89,805	69,170
Interest and finance costs	-	(4,000)	(4,000)	3,025
Other support costs	101,058	40,028	141,086	43,059
	<u>101,058</u>	<u>885,870</u>	<u>986,928</u>	<u>895,366</u>
Total costs	<u>114,465</u>	<u>3,850,581</u>	<u>3,965,046</u>	<u>3,873,134</u>

8 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Legal and professional fees	-	28,447	28,447	31,581
Auditor's remuneration				
- Audit of financial statements	-	4,200	4,200	3,975
Support staff costs	-	135	135	474
	<u>-</u>	<u>32,782</u>	<u>32,782</u>	<u>36,030</u>

LAVINGTON SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

9 Staff costs

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

	2015 Number	2014 Number
Teachers	38	41
Administration and support	31	35
Management	7	5
	<u>76</u>	<u>81</u>

Costs included within the accounts:

	2015 £	2014 £
Wages and salaries	2,635,739	2,595,340
Social security costs	155,935	155,853
Other pension costs	48,250	15,833
	<u>2,839,924</u>	<u>2,767,026</u>
Supply teacher costs	10,849	25,039
	<u>2,850,773</u>	<u>2,792,065</u>

The number of employees whose annual remuneration was £60,000 or more was:

	2015 Number	2014 Number
£80,001 - £90,000	-	1
£60,001 - £70,000	1	-
	<u>-</u>	<u>-</u>

Of the employees above, the number participating in pension schemes and the employers' contributions paid on their behalf were as follows:

		2015	2014
Teachers' Pension Scheme	Numbers	1	1
	£	9,150	12,026
		<u>9,150</u>	<u>12,026</u>

LAVINGTON SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

10 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. During the year, travel and subsistence payments totalling £426 (2014: £561) were reimbursed to one trustee (2014: two trustees).

The value of trustees' remuneration was as follows:

M Watson (Principal and Trustee to December 2014) Salary £35,000 - £40,000 (2014: £95,000 - £100,000)
Pension Contributions £5,000 - £10,000 (2014: £10,000 - £15,000)

K Bate (Support Staff and Trustee to February 2015) Salary £5,000 - £10,000 (2014: £10,000 - £15,000)
Pension Contributions £0- £5,000 (2014: £0 - £5,000)

P Stephenson (Support Staff and Trustee) Salary £20,000 - £25,000 (2014: £20,000 - £25,000)
Pension Contributions £0- £5,000 (2014: £0- £5,000)

S Lowkis (Principal and Trustee from January 2015) Salary £40,000 - £45,000
Pension Contributions £5,000- £10,000

Other related party transactions involving the trustees are set out within the related parties note.

Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance is covered by the RPA scheme provided by the EFA, there is no breakdown of individual cost for professional indemnity insurance.

LAVINGTON SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

11 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2014	11,698,670	313,616	78,675	12,090,961
Additions	1,504	44,957	-	46,461
At 31 August 2015	11,700,174	358,573	78,675	12,137,422
Depreciation				
At 1 September 2014	917,131	254,407	38,645	1,210,183
Charge for the year	203,884	52,663	38,643	295,190
At 31 August 2015	1,121,015	307,070	77,288	1,505,373
Net book value				
At 31 August 2015	10,579,159	51,503	1,387	10,632,049
At 31 August 2014	10,781,540	59,209	40,028	10,880,777

The land and buildings were valued on the depreciated replacement cost method in an exercise undertaken by the Education Funding Agency as at the 31 August 2012. The land is valued at £1,505,969 and the buildings at £10,112,351. The Academy has not obtained a separate valuation. The Academy did not consider it an effective use of public funds to obtain an additional valuation. The property is insured for a re build cost of £16,297,385.

12 Debtors	2015 £	2014 £
VAT recoverable	28,055	55,757
Other debtors	266	698
Prepayments and accrued income	94,957	78,444
	<u>123,278</u>	<u>134,899</u>
13 Creditors: amounts falling due within one year	2015 £	2014 £
Trade creditors	5,436	33,527
Accruals	22,008	21,845
Deferred income	67,718	28,577
	<u>95,162</u>	<u>83,949</u>

LAVINGTON SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

14	Deferred income	2015 £	2014 £
	Deferred income is included within:		
	Creditors due within one year	67,718	28,577
		<u>67,718</u>	<u>28,577</u>
	Total deferred income at 1 September 2014	28,577	37,460
	Amounts credited to the statement of financial activities	(28,577)	(37,640)
	Amounts deferred in the year	67,718	28,577
		<u>67,718</u>	<u>28,577</u>
	Total deferred income at 31 August 2015	67,718	28,397

At the balance sheet date the academy trust was holding funds received in advance for the following;

Catering Income Parentpay	£2,598
Devolved Formula Capital	£9,244
Trip Deposits	£55,376
Other	£500

LAVINGTON SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

15 Funds

	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2015 £
Restricted general funds					
General Annual Grant	283,682	3,312,344	(3,154,043)	(21,392)	420,591
Other DfE / EFA grants	-	128,106	(128,106)	-	-
Other government grants	-	92,815	(92,815)	-	-
Other restricted funds	-	184,209	(184,209)	-	-
	<u>283,682</u>	<u>3,717,474</u>	<u>(3,559,173)</u>	<u>(21,392)</u>	<u>420,591</u>
Funds excluding pensions	(604,000)	-	(29,000)	(173,000)	(806,000)
	<u>(320,318)</u>	<u>3,717,474</u>	<u>(3,588,173)</u>	<u>(194,392)</u>	<u>(385,409)</u>
Restricted fixed asset funds					
DfE / EFA capital grants	10,880,777	15,826	(295,190)	21,392	10,622,805
	<u>10,880,777</u>	<u>15,826</u>	<u>(295,190)</u>	<u>21,392</u>	<u>10,622,805</u>
Total restricted funds	<u>10,560,459</u>	<u>3,733,300</u>	<u>(3,883,363)</u>	<u>(173,000)</u>	<u>10,237,396</u>
Unrestricted funds					
General funds	-	34,660	(7,424)	-	27,236
Other funds	-	148,972	(107,041)	-	41,931
	<u>-</u>	<u>183,632</u>	<u>(114,465)</u>	<u>-</u>	<u>69,167</u>
Total funds	<u>10,560,459</u>	<u>3,916,932</u>	<u>(3,997,828)</u>	<u>(173,000)</u>	<u>10,306,563</u>

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

The fixed asset fund was created with the donation of the schools land and buildings to the academy. Additional assets are added to the fund which is also written down by depreciation each year.

The restricted general funds are made up of the General Annual Grant received, to be spent on education within the academy, and other related DfE of other authority grants.

Unrestricted funds are general donations and fund raising activities of the academy and are used to support the provision of education within the academy.

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

LAVINGTON SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total funds £
Fund balances at 31 August 2015 are represented by:				
Tangible fixed assets	-	-	10,632,049	10,632,049
Current assets	124,543	451,133	-	575,676
Creditors falling due within one year	(55,376)	(30,542)	(9,244)	(95,162)
Defined benefit pension liability	-	(806,000)	-	(806,000)
	<u>69,167</u>	<u>(385,409)</u>	<u>10,622,805</u>	<u>10,306,563</u>

17 Pensions and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Wiltshire County Council. 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 2014 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

LAVINGTON SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to the TPS in the period amounted to £375,934.

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 19.2 per cent for employers and 5.5 to 12.5 per cent for employees. The estimated value of employer contributions for the forthcoming year is £114,000.

The Academy has agreed to pay the default contributions rates using contribution rate relief, these future rates are as follows:

Period	Employer Contribution Rate	Annual Monetary Amount
2014/2015	19.2%	£14,000
2015/2016	19.5%	£17,000
2016/2017	19.8%	£20,000

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.

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LAVINGTON SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations (Continued)

Contributions made	2015 £	2014 £
Employer's contributions	110,000	101,000
Employees' contributions	29,000	27,000
Total contributions	139,000	128,000

Principal actuarial assumptions	2015 %	2014 %
Rate of increase in salaries	4.5	4.4
Rate of increase for pensions in payment	2.6	2.6
Discount rate for scheme liabilities	3.7	3.7
Commutations of pensions to lump sums	50	50%

Change in assumptions at 31st August 2015

	Approximate % increase in employer liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	10%	223
1 year increase in member life expectancy	3%	67
0.5% increase in the Salary Increase Rate	4%	85
0.5% increase in the Pension Increase Rate	6%	132

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

	2015 Years	2014 Years
Retiring today		
- Males	22.3	22
- Females	24.5	25
Retiring in 20 years		
- Males	24.1	24
- Females	26.9	27

LAVINGTON SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations

(Continued)

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

	2015 Expected return %	2015 Fair value £	2014 Expected return %	2014 Fair value £
Equities	3.7	1,012,000	6.3	945,000
Bonds	3.7	214,000	3.4	226,000
Cash	3.7	28,000	3.3	27,000
Property	3.7	171,000	4.5	133,000
Total market value of assets		1,425,000		1,331,000
Present value of scheme liabilities - funded		(2,231,000)		(1,935,000)
Net pension asset / (liability)		(806,000)		(604,000)

The expected return on assets is based on the long term future expected investment return for each asset class as at the beginning of the period (ie As at 1 September 2014 for the year to 31 August 2015). The return on gilts and other bonds are assumed to be gilt yield and corporate bond yield (with an adjustment to reflect the default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actual return on the scheme assets was £58,000 (2014: £177,000).

Amounts recognised in the statement of financial activities

	2015 £	2014 £
Operating costs/(income)		
Current service cost (net of employee contributions)	33,000	10,000
Past service cost	-	-
Total operating charge	33,000	10,000
Finance costs/(income)		
Expected return on pension scheme assets	(79,000)	(66,000)
Interest on pension liabilities	75,000	69,000
Net finance costs/(income)	(4,000)	3,000
Total charge/(income)	29,000	13,000

LAVINGTON SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations (Continued)

Actuarial gains and losses recognised in the statement of financial activities

	2015 £	2014 £
Actuarial (gains)/losses on assets: actual return less expected	159,000	226,000
Experience (gains)/losses on liabilities	14,000	-
(Gains)/losses arising from changes in assumptions	-	-
Total (gains)/losses	<u>173,000</u>	<u>226,000</u>
Cumulative (gains)/losses to date	<u>173,000</u>	<u>-</u>

Movements in the present value of defined benefit obligations

	2015 £	2014 £
Obligations at 1 September 2014	(1,935,000)	(1,444,000)
Current service cost	(143,000)	(111,000)
Interest cost	(75,000)	(69,000)
Contributions by employees	(29,000)	(27,000)
Actuarial gains/(losses)	(14,000)	(320,000)
Benefits paid	(35,000)	36,000
At 31 August 2015	<u>(2,231,000)</u>	<u>(1,935,000)</u>

Movements in the fair value of scheme assets

	2015 £	2014 £
Assets at 1 September 2014	1,331,000	1,079,000
Expected return on assets	79,000	66,000
Actuarial gains/(losses)	(159,000)	94,000
Contributions by employers	110,000	101,000
Contributions by employees	29,000	27,000
Benefits paid	35,000	(36,000)
At 31 August 2015	<u>1,425,000</u>	<u>1,331,000</u>

LAVINGTON SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17	Pensions and similar obligations	(Continued)			
History of experience gains and losses					
		2015	2014		
		£	£		
	Present value of defined benefit obligations	(2,231,000)	(1,935,000)		
	Fair value of share of scheme assets	1,425,000	1,331,000		
		<u></u>	<u></u>		
	Surplus / (deficit)	(806,000)	(604,000)		
		<u></u>	<u></u>		
	Experience adjustment on scheme assets	(159,000)	94,000		
	Experience adjustment on scheme liabilities	(14,000)	(320,000)		
		<u></u>	<u></u>		
18	Reconciliation of net income to net cash inflow/(outflow) from operating activities	2015	2014		
		£	£		
	Net income	(80,896)	(157,171)		
	Capital grants and similar income	(15,826)	(15,744)		
	Investment income	(609)	(621)		
	Financing costs	-	25		
	Defined benefit pension costs less contributions payable	33,000	10,000		
	Defined benefit pension finance costs/(income)	(4,000)	3,000		
	Depreciation of tangible fixed assets	295,190	333,309		
	(Increase)/decrease in debtors	11,620	(31,830)		
	Increase/(decrease) in creditors	11,213	(13,428)		
		<u></u>	<u></u>		
	Net cash inflow/(outflow) from operating activities	249,692	127,540		
		<u></u>	<u></u>		
19	Reconciliation of net cash flow to movement in net funds	2015	2014		
		£	£		
	Increase/(decrease) in cash	219,666	(44,529)		
	Net funds at 1 September 2014	232,732	277,261		
		<u></u>	<u></u>		
	Net funds at 31 August 2015	452,398	232,732		
		<u></u>	<u></u>		
20	Analysis of net funds	At 1 September 2014	Cash flows	Non-cash changes	At 31 August 2015
		£	£	£	£
	Cash at bank and in hand	232,732	219,666	-	452,398

LAVINGTON SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

21 Commitments under operating leases

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

	2015 £	2014 £
Expiry date:		
- Within one year	791	2,368
- Between two and five years	2,221	5,174
	<u>3,012</u>	<u>7,542</u>

22 Related parties

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 trustees have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

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

23 Members' 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.