

CORSHAM PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

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**CORSHAM PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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**CORSHAM PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Members	F Allen E Griffiths
Trustees	F Allen, Chief Executive Officer ^{1,3} E Griffiths, Chair ^{1,3} R Hayday, Vice Chair ^{1,3} R Basley (resigned 8 December 2015) ¹ S Biddel ¹ R Collard ¹ G Cooke ¹ N Copeman ² R Davies ² J Enstone ² J Essam ² L Fry ² K George ² A Hall ¹ M Harpham ^{1,3,4} N Holder (resigned 9 February 2016) ^{2,4} K Parker-Booth (appointed 1 September 2016) P Pieri (resigned 27 August 2016) ¹ S Ridout L White ² G Cooke ¹ L White ² ¹ Strategic Board ² Governing Board ³ Remuneration Committee ⁴ Performance Committee
Company registered number	07557894
Company name	Corsham Primary School
Principal and Registered office	Pound Pill Corsham Wiltshire SN13 9YW
Company Secretary	A Biddall
Accounting Officer	F Allen
Senior Leadership Team	F Allen, Chief Executive Officer G Cooke, Senior Head of School L Fry, Head of School K Parker, Head of School J Essam, Deputy Head S Ridout, Deputy Head

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Advisers (continued)

**Senior Management
Team**

J Essam, Assistant Deputy Head
R Palmer, Assistant Deputy Head
J Smalley, Curriculum Development Leader
K Crew, Curriculum Development Leader and FS Leader
H White, Curriculum Development Leader
A Tapscott, Year 6 Support
J Passmore, IT Leader

Independent auditors

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

Bankers

HSBC Bank Plc
46 Fore Street
Trowbridge
BA14 8EL

Solicitors

Winckworth Sherwood LLP
Minerva House
5 Montague Close
London
SE1 9BB

**CHAIR'S STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2016**

The Chair presents her statement for the year from September 2015 to August 2016.

Corsham Primary School remains a high performing and progressive establishment where pupils receive a high standard of education and development complemented by high quality pastoral care and support. This is delivered by staff who are highly professional and committed and bound together by a strong ethos and a leadership team which has been developed within the school. The development of staff and pupils is enhanced by the Teaching School Alliance which has also continued to deliver results and grown in influence and stature, providing a platform on which so many other schools can benefit from sharing good practice. This good performance has been achieved once again in an environment which remains uncertain and lacking in clear direction against which to make firm plans. Nevertheless, to ensure that the school, already an Academy, remains stable much work has been undertaken to mitigate the uncertainty, including a challenging but sound and stable financial position.

In early 2016, members of the leadership team and the Board engaged proactively with neighbouring primary schools to cultivate relationships with a view to forming a Multi Academy Trust (MAT). Prospective partner schools were identified from within the Teaching School Alliance thus affording Corsham Primary School the opportunity of prior relationships and intelligence about the schools' current operation, values and performance. With the intention of securing a nucleus of schools with which to establish a new MAT, alliances were formed and these remain today. Work continues with three other schools to form a new MAT although its formation will be dependent on available funding to progress the development along with clarity on the education policy of the Government. Securing the commitment of the other schools has been a major achievement this year.

Meanwhile, in response to a request from the Regional School's Commissioner, members of Corsham Primary School through the Teaching Alliance undertook remedial activities with a nearby two school MAT experiencing significant challenges with its governance, leadership, performance and statutory duties. The Chief Executive Officer (CEO) of Corsham Primary School, with support from others including the Finance Director, Strategic Business Manager and others from the Teaching School Alliance worked with the MAT to address shortcomings and improve educational opportunities for its pupils. Through the dedication of those involved a successful outcome has been achieved although the input required exceeded the initial request. The experience, although difficult, has provided the team with some valuable insight into risks involved in MAT formation and operation and these will inform our own MAT development between Corsham Primary School and its partner schools during the coming year. Due to the drive and passion of the staff, especially those who have backfilled the posts of those deployed elsewhere, the performance of Corsham Primary School was maintained and staff have demonstrated their capabilities and readiness for more senior roles. In part, this is because of the school's rigorous approach to appraisal and objective setting which takes place annually and ensures that performance standards as well as personal developments are clearly articulated and, where appropriate rewarded.

Meticulous planning to support the challenged MAT took place between members of the leadership team with Board involvement. The opportunity for staff to act up provided an opportunity to pilot a new leadership structure in Corsham Primary. F. Allen, our dedicated and highly respected Executive Head Teacher stated her wish to develop further her CEO role. Whilst she still remains a significant member of the school, she has delegated a number of her responsibilities which are now undertaken by G Cooke who was successful at interview demonstrating her competence and is now the Senior Headteacher and is already bringing a new approach to the school leadership. Heads of school posts have been filled internally as have the deputy posts demonstrating the benefits of staff development. The composition of the Board has been adjusted to reflect the changes in personnel.

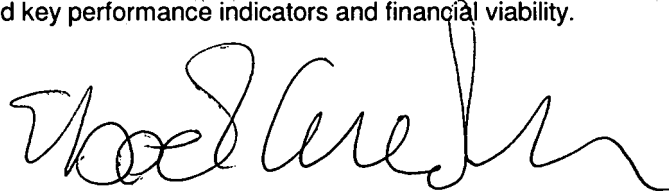
Governance of the school including its financial management remains strong in spite of changes and challenges and external inspections have validated this position. All those involved in this important work are to be commended.

The school has faced recruitment challenges and in this year has operated with a high number of newly qualified teachers. Through careful recruitment, planned induction, goal setting and on-going support from existing colleagues to these NQTs, high standards of education have remained on offer to pupils. Since the Local Authority's decision to close the schools resource base (Brook Centre) the school has also faced challenges associated with its provision of specialist teaching for pupils with speech and language impairment. Once again, good operational and strategic planning has allowed the school to mitigate the impact on pupils and their families.

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**CHAIR'S STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2016**

At the very beginning of the period, The Teaching School Alliance held a successful conference in Bath at which it showcased areas of good practice and the benefits of involvement to its members. The work of the alliance remains firmly in the Board's focus with the Deputy Leader attending to provide general updates, evidence of progress against defined key performance indicators and financial viability.



Name **E Griffiths**
Chair of the Board of Trustees

Date 6 December 2016

**CORSHAM PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016**

The Trustees present their annual report together with the Financial Statements and Auditors' Report of the charitable company for the year ended 31 August 2016. The annual report serves the purpose of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates an Academy for pupils aged 4 to 11 in Wiltshire. It has a pupil capacity of 644 and had a roll of 632 in the school census on 21 January 2016.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy 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.

The Trustees of Corsham Primary School are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

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/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 they cease to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The limit of this indemnity is £10,000,000.

TRUSTEES

Method of recruitment and appointment or election of Trustees

The Academy's Board of Trustees shall have the following Trustees as outlined in its Articles of Association and Funding Agreement:

- The CEO, who is treated for all purposes as being an ex officio Trustee.
- Up to 4 Staff Trustees who are appointed by the Board of Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the Academy, does not exceed one third of the total number of Trustees).
- Up to 6 community Trustees who are appointed by the Board of Trustees.
- Up to 3 local community Trustees who are appointed by the Board of Trustees.
- Up to 7 parent Trustees who are elected by parents of registered pupils at the Academy (unless there are fewer parents standing for election than the number of vacancies in which case they will be appointed by the Board of Trustees).
- Up to 3 co-opted Trustees who are appointed by the Board of Trustees.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

Policies and Procedures adopted for the Induction and Training of Trustees

The Academy has a Trustee Recruitment and Induction policy available from the Clerk to the Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. 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. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

Organisational Structure

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are four committees as follows:

- Strategic Board - this meets at least six times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Internal Assurance Officer and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- Governing Board - this meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.
- Remuneration Committee that reviews the CEO and Heads of School salaries and all other staff salaries.
- Performance Committee that reviews pupil data and performance.

The following decisions are reserved to the Board of Members: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chair and/or Vice Chair, to appoint the CEO and Clerk to the Trustees, to approve the Annual School Improvement and Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Members and Board of Trustees have devolved responsibility for day to day management of the Academy to the Senior Leadership Team (SLT) and Senior Management Team (SMT). The SLT comprises the CEO, Heads of School and Deputy Head Teachers. The SMT comprises the Assistant Deputy Heads, Curriculum Development Leaders, Inclusion and IT Managers. The SLT and SMT implement the policies laid down by the Trustees and report back to them on performance.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

The CEO and Academy Business Manager report directly to the Strategic Board and are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The CEO is responsible for the appointment of staff, though appointment panels for teaching posts always include a Trustee. The Heads of School and Deputy Head Teachers report directly to the Governing Board and are responsible for the day to day running of the school on both the Pound Pill and Broadwood sites.

The CEO is the Accounting Officer.

Connected Organisations, including Related Party Relationships

There are no related parties which either control or significantly influence the decisions and operations of Corsham Primary School. There are no sponsors or formal Parent Teacher Associations associated with the Academy.

Arrangements for Setting Pay and Remuneration for Key Management Personnel

The Strategic Board has agreed pay and performance management policies for all staff and these are reviewed annually. The Board has also agreed to abide by the terms of the Teachers' Pay and Conditions Document 2016 when considering any pay decisions relating to teaching staff.

A Remuneration Committee consisting of three Trustees, supported by independent Education Consultant, has delegated responsibility to consider the pay and performance of the Headteachers and other senior leaders. The Remuneration Committee also reviews appraisal documentation provided by the Senior Headteacher for all teachers. The committee has delegated responsibility to make pay related decisions. The Remuneration Committee is made up of the Chair of the Strategic Board and the Vice Chair of the Strategic Board and the Chair of the Governing Board.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities, with a strong emphasis on developing academic and social life skills.

The principal object and activity of the Charitable Company is the operation of Corsham Primary School to provide free education and care for pupils of different abilities.

The aims of the Academy during the year ended 31 August 2016 are summarised below:

- To continue to raise the standard of educational attainment and achievement of all pupils.
- To provide a broad and balanced curriculum, including extra-curricular activities.
- To develop students as more effective learners.
- To enhance the tertiary provision and outcomes.
- To develop the Academy site so that it enables students to achieve their full potential.
- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care.
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review.
- To maximise the number of students who achieve level 6 grades in English and Maths.
- To provide value for money for the funds expended.
- To fulfil the role of a teaching school.
- To develop greater coherence, clarity and effectiveness in school systems.
- To comply with all appropriate statutory and curriculum requirements.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

- To maintain close links with local community groups.
- To develop the Academy's capacity to manage change.
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.
- To explore the development of a primary MAT

At Corsham Primary School we aim to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

Objectives, Strategies and Activities

Key priorities for the year are contained in our Academy School Development and Improvement Plan which is available from the Academy Office. Improvement foci identified for this year include:

- To implement the Prevent Duty with staff.
- To monitor teaching and learning to maintain high standards of progress.
- To implement an electronic system of appraisal.
- To raise staff and pupils' awareness of British Values.
- To further develop systems and procedures to support the newly implemented assessment without levels.
- To review the implementation of Home Learning Logs.
- To research and investigate ways to improve the 'mindfulness' and wellbeing of pupils.
- To investigate and review school systems for recording behaviour of pupils.
- To investigate the impact of technology on brain development.
- To monitor attendance data in relation to the changes in attendance thresholds.
- To raise boys' attainment in Reading by the end of KS1 and KS2.
- To raise the % of pupils achieving age related expectations by the end of KS2 in Reading, Writing and Maths.
- To raise boys' attainment in Writing by the end of KS2.
- To raise girls' attainment in Writing by the end of KS1.
- To ensure that attainment in Years 4, 5 & 6 is in line with age related expectations for Maths.
- To ensure that girls' attainment in Years 2 & 6 is in line with age related expectations for Maths.
- To improve progress rates of SEN Support and pupils with Education Health Care Plans (EHCPs).
- To close the gap between disadvantaged and non-disadvantaged pupils in KS1 & KS2.
- To raise the number of highly able pupils exceeding age related expectations by the end of KS1.
- To raise the % of highly able pupils exceeding age related expectations in Reading by the end of KS2.
- To ensure consistency in progress across the Early Years Foundation Stage.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

STRATEGIC REPORT

Achievements and Performance

The Academy is in its fifth year of operation and has exceeded the forecast number of students. The total number of students at the year ended 31 August 2016 was 620 but this has increased to 628 in September 2016 due to an increased Reception year intake. The Academy is full in most year groups with numbers continuing to rise year on year.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

At Key Stage 1, results were above national averages again. We were particularly pleased with the number of children who exceeded age related expectations. Year 6 results were above national averages apart from Maths. We were pleased with our progress results which are well above national averages. Both Year 2 and Year 6 have above average level of Special Educational Needs, but despite this, pupils managed to perform in line or above the targets set for them. This demonstrates the excellent teaching by the staff at Corsham Primary School.

Year 6 2016 SATS (*National figures are based on 2016 data*)

Test Results:

- Reading 75% of pupils met the national standards, compared to 66% nationally.
- Maths – 61% of pupils met national standards, compared to 70% nationally.
- English, spelling, punctuation and grammar – 74% of pupils met national standards, compared to 72% nationally.
- Writing – 80% of pupils met national standards, compared to 62% nationally.

Progress results:

- Reading progress score of +5.4, compared to national average of 0
- Writing progress score of +5.4, compared to the national average of 0
- Maths progress score of +2.2, compared to the national average of 0

Over 60 parent volunteers have been helping in the Academy this year. Their commitment to the children and Academy is inspirational. They have helped with Reading, Writing, Maths, Drama and trips out of school.

To ensure that standards are continually assessed, the Academy operates a programme of lesson observations, which are undertaken by the Senior Leadership Team; the Executive Headteacher and Head of School of the Broadwood site are both Ofsted Inspectors and other senior members have been trained to grade lessons by an Ex-Her Majesty's Inspector and as part of the Challenge Partner and School's Partnership programmes.

The Academy was inspected by Ofsted in June 2013 and was judged to be Outstanding.

Continuing professional development for staff continues to be very successful and a number of staff have accessed training offered by the Teaching School for example, the Outstanding Teacher Programme, the NQT Programme and Headteacher Development training. The Strategic Business Manager completed her Business Manager Diploma. Support staff have completed recognised First Aid, paediatric training and the Emotional Literacy Support Assistant (ELSA) course.

Key Performance Indicators

The main financial performance indicator is the management of expenditure and income in line with the budget and the management of any variances. This has been achieved through regular financial reporting to the Board, including the projection of the year end position.

The following KPI's were set at the start of the year:

	Target	Actual
Pupil to teacher ratio	30:1	30:1
Student attendance	96.5%	95.3%
KS2 achievement (targets are national standards):		
Reading	66%	75%
Writing	74%	80%
Mathematics	70%	61%
Percentage of year one pupils who pass the phonic screen check	80%	94%

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Another key financial performance indicator is staffing costs as a percentage of total recurring income (excluding capital grants), for 2016 this was 72.8% (2015: 74.2%).

Going Concern

After making appropriate enquiries, the Strategic Board of Trustees 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 Going Concern policy.

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2016 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2016, total expenditure (excluding restricted fixed asset funds) was £2,948,138 and recurrent grant funding from the DfE and other incoming resources (excluding restricted fixed asset funds) was £3,087,375. The excess of income over expenditure for the year (excluding restricted fixed asset funds) was £139,237.

At 31 August 2016 the net book value of fixed assets was £6,321,217 and movements in tangible fixed assets are shown in note 14 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in note 25 to the Financial Statements.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The policy is to maintain a reserve equivalent to 5% of GAG income, approximately £125,000, in order to manage any delays in grant receipts or unforeseen increase in expenditure.

The Academy's level of reserves (unrestricted funds and GAG) for the year ended 31 August 2016 is £232,443. Given the well documented local and national financial pressures, the Trustees have made a conscious decision to make purposeful use of these reserves for the coming years to review, develop and deploy resources as effectively as possible ensuring that the School aligns itself to a sustainable structure.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Investment Policy

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short term requirements. During the year the Board reviewed the circumstances in which surplus cash can be invested in order to earn a higher rate of interest. This is now being implemented.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the Education Funding Agency. In the last year 86% of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Board continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy is dependant on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Governors ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and Child Protection - the Board of Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant on the quality of its staff and so the Board of Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed Centre for Education & Finance Management (CEFM), to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Academy has agreed a risk management strategy and maintain a Risk Register. This has been discussed by Trustees and include the financial risks to the Academy. The register is regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst the Academy pupil numbers remain consistent, risks to revenue funding from a falling roll are small. However, the freeze on the Government's overall education budget, changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years. The Local Authority's decision to close the resource base will have a negative impact on the budget and consequently staffing levels in this area will be reduced accordingly.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors that would have a significant effect on liquidity.

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community.

Full details of our plans for the future are given in our Academy School Development and Improvement Plan, which is available on our website or from the Clerk to the Trustees.

We plan to maintain current class sizes and further strengthen the staff skill base within the Inclusion Team.

The Academy was designated as a Teaching School since 1 September 2014 and will continue to seek additional funding for its operations.

The Academy plans to apply for capital funding to replace the windows at the Broadwood site.

We aim to strengthen the Academy Administrative Team in order to release capacity within the SLT to undertake work in the Teaching School.

Work in partnership with the Local Authority to plan the expansion of the Broadwood site from one form to two form entry and the development of a new build.

To develop a collaborative Multi Academy Trust with other local primary schools.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Board of Trustees do not act as the Custodian Trustees of any other Charity.

AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The Trustees' Report, incorporating a Strategic Report, was approved by order of the Board of Trustees, as company directors, on 6 December 2016 and signed on the board's behalf by:


E Griffiths
Chair of Trustees


F Allen
Accounting Officer

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the CEO, 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 Corsham Primary School and the Secretary State of 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 school has been designated by the DfE as an Academy sponsor and it is the Board's ambition to form a Multi Academy Trust (MAT). Following discussions an appropriate shadow governance structure has been put into place in readiness for the MAT, from this the Academy has a Strategic Board and a Governing Board.

The Trustees have overall responsibility and ultimate decision making authority for all the work of the Academy, Teaching School and Trust (as and when it is established). The day to day management and responsibility for the running of the Academy and Teaching School has been delegated to the CEO, who is supported by a SLT including the Heads of School and Deputies appointed in respect of the Academy.

The Strategic Board is further supported by the "Governing Board" made up of Trustees who have particular interest in supporting the work of the Academy. The Governing Board is focussed on the day to day life of the Academy and is there to ensure the staff working in the Academy are supported and challenged when necessary, and the needs of the pupils are met ensuring every pupil receives the best possible education. The Governing Board represents the community and is responsible for all engagement with parents and the wider community. Whilst the Trustees of the Academy (working together as the "Strategic Board") have overall responsibility and ultimate decision making authority for all the work of the school, and the standards achieved by the pupils, a Governing Board has been established for Corsham Primary School to ensure the vision of the Academy and future Trust is fulfilled.

The Trustees on the Strategic Board fulfil their responsibilities through strategic planning and by the setting of policies and standards as well as taking responsibility for the oversight and management of risk. The Trustees have the power to direct change where required. The Trustees act independently and in the best interests of the Academy; they are accountable to the Secretary of State for Education and to the community that they serve. Irrespective of a person's role or method of appointment to the Strategic Board each of the Trustees are responsible individually and collectively for the Academy and use their skills and experience in undertaking a role on the Strategic Board.

**CORSHAM PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

The Strategic Board of Trustees has formally met 10 times during the year. Attendance during the year at meetings of the Strategic Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
E Griffiths	9	10
F Allen	10	10
R Basley	4	4
R Collard	9	10
M Harpham	7	10
R Hayday	8	10
S Biddel	6	10
A Hall	9	10
G Cooke	10	10

S Biddel was on work secondment until January 2016, therefore exempt from attended first 4 meetings of the year.

In addition to the Strategic Board, the Academy also has a Governing Board whose role is to oversee the curriculum and the extended services provision. The Governing Board has formally met 7 times during the year.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
J Essam	7	7
J Enstone	6	7
K Parker	7	7
K George	7	7
L Fry	7	7
L White	6	7
M Harpham	7	7
N Holder	2	4
N Copeman	7	7
P Pieri	6	7
R Davies	5	7
R Hopkinson	6	7
S Ridout	0	7
W Greswell	6	6

S Ridout was on maternity leave for the 2015/16 academic year.

Governance Reviews:

The Board reviewed Governance arrangements in September 2016 and will again, before the school becomes a MAT.

The Academy undertakes an annual audit of its Trustees skills in order to ascertain any areas that need further development. This is to ensure the ongoing effectiveness of the Board of Trustees.

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the CEO has responsibility for ensuring that the Academy 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.

GOVERNANCE STATEMENT (continued)

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Strategic Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy has delivered improved value for money during the year by:

- **Challenge**
Is the school performance high enough? Why and how is service provided? Do we still need it? Can it be delivered differently? What do parents want?
- **Compare**
How does the school's pupil performance and financial performance compare with all schools? How does it compare with similar schools?
- **Consult**
How does the school seek the views of stakeholders about the services the school provides?
- **Compete**
How does the school secure efficient and effective services? Are services of appropriate quality, economic?

The Trustees/Governors' Approach

The Trustees/Governors and school managers will apply the principles of best value when making decisions about:

- The allocations of resources to best promote the aims and value of the school.
- The targeting of resources to best improve standards and the quality of provision.
- The use of resources to best support the various educational needs of all pupils.

Trustees/Governors and the school managers will:

- Make comparisons with other/similar schools using data provided by the LA and the Government e.g. benchmarking tools, quality of teaching & learning, levels of expenditure.
- Challenge proposals, examining them for effectiveness, efficiency, and cost e.g. setting of annual pupil achievement targets.
- Require suppliers to compete on grounds of cost, and quality/suitability/sustainability of services/products/backup.
- Consult individuals and organisations on quality/suitability of service we provide to parents and pupils, and services we receive from providers e.g. Sex and Relationships Education, Pupil Reports, OFSTED, Finance Support.

This will apply in particular to:

- Staffing
- Use of resources
- Quality of teaching
- Quality of learning
- Purchasing
- Pupils' welfare
- Health and safety
- Facilities Management

Trustees/Governors and school managers:

- Will not waste time and resources on investigating minor areas where few improvements can be achieved.
- Will not waste time and resources to make minor savings in costs.
- Will not waste time and resources by seeking tenders for minor supplies and services.

GOVERNANCE STATEMENT (continued)

The pursuit of minor improvements or savings is not cost effective if the administration involves substantial time or costs. Time wasted on minor improvements or savings can also distract management from more important valuable areas.

Raising Attainment and Improving Progress

At the end of the 2015/16 academic year results at the end of Key Stage Two were above the Government's floor targets for progress and attainment.

Progress in Maths and Writing was above national average and reading was broadly in line.

The school has worked hard to close the gap in terms of progress and attainment for pupils in receipt of pupil premium. In maths pupils have made progress that is broadly in line with national averages, in reading progress is in-line with national averages and in writing pupil progress is above national averages.

Staffing

Trustees/Governors and school managers will deploy staff to provide best value in terms of quality of teaching, quality of learning, adult-pupil ratio and curriculum management.

Trustees/Governors have invested Pupil Premium money to build the school's Inclusion Team. This has included the appointment of an Assistant Deputy Headteacher and two part-time teachers. Money has also been invested in an additional part-time teacher to boost the teaching provision in year six.

Use of Premises

Trustees/Governors and school managers will consider the allocation and use of teaching areas, support areas and communal areas, to provide the best environment for teaching and learning, for support services, and for communal access to central resources e.g. the library.

Use of Resources

Trustees/Governors and school managers will deploy equipment, materials and services to provide pupils and staff with resources which support quality of teaching and quality of learning.

Teaching

Trustees/Governors and school managers will review the quality of curriculum provision and quality of teaching to provide parents and pupils with:

- A curriculum which meets the requirements of the National Curriculum, the LA Agreed RE Syllabus, and the needs of pupils.
- Teaching which builds on previous learning and has high expectations of children's achievement.

Learning

Trustees/Governors and school managers will review the quality of children's learning by cohort, class and group, to provide teaching which enables children to achieve nationally expected progress e.g. setting of annual pupil achievement targets and striving to improve on or maintain previous years SAT results and attendance.

GOVERNANCE STATEMENT (continued)

Purchasing

Trustees/Governors and school managers will develop procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time and cost. Measures already in place include:

- Competitive tendering procedures e.g. for goods and services above £50,000.
- Four quotes for goods and services in excess of £10,000.
- Procedures for accepting "best value" quotes, which are not necessarily the cheapest e.g. suitability for purpose and quality of workmanship.
- Procedures which minimise administrative time by the purchase of goods or services under £1000 direct from known, reliable suppliers e.g. stationery, small equipment.

Pupils' Welfare

Trustees/Governors and school managers will review the quality of the school environment and the school ethos in order to provide a supportive environment conducive to learning and recreation.

Health & Safety

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

Monitoring

These areas will be monitored for best value by:

- In-house monitoring by the Headteachers, Deputies and members of the leadership team e.g. classroom practice, work sampling, tracking assessment data.
- Termly target setting between members of the Senior Leadership Team and teachers at Intervention Group meetings.
- Staff Appraisal.
- Annual Budget Planning.
- The Finance Director and CEO's regular finance review.
- Visits by Internal Assurance Officer and the Finance Director.
- Analysis's of school pupil performance data against similar LA schools and Analysis of EFA financial data against bench mark data for similar schools.
- Analysis of DfE pupil performance data.
- OFSTED Inspection reports.
- Trustees/Governors' full termly meetings (Strategic Board and Governing Board).
- Annual Audit Review (Strategic Board).
- Trustees/Governors' SATs Target Setting Meeting (Standards Committee).

In the next three years the Governing Board will:

- Hold an annual performance plan meeting to set targets for improving pupil achievement (SDIP).
- Hold an annual development plan meeting at its first meeting of the Autumn Term.
- Discuss "Best Value" when presented with and discussing the Finance Director's termly report.
- Review their "Best Value" statement at the autumn term Audit Report meeting.
- Consider best value when arranging internal and external contracts.

GOVERNANCE STATEMENT (continued)

Reviewing Controls and Risk Management

Bishop Fleming LLP have been appointed as external auditors who review the school's finance systems on an annual basis, in addition they provide financial support throughout the year. Trustees/Governors have also appointed a part-time Finance Director who works closely with the Academy Business Manager. The Finance Director reports directly to Trustees/Governors, ensuring they receive a regular Finance Report and certifying the most effective use of resources to meet the objectives of the Academy.

The Academy has undertaken work since its conversion in April 2011 to embed Risk Management. Trustees/Governors are responsible for overseeing the risks facing the Academy and the detailed considerations of risk are delegated to the CEO and senior leaders. The Academy's Risk Management Register is reviewed by Trustees/Governors quarterly and termly by the CEO who looks at the major risks to which the Academy is exposed, in particular those relating to specific teaching, provision of facilities and other operational areas of the Academy and its finances.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 Corsham Primary School for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that have been in place for the period from 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Strategic Board of Trustees;
- regular reviews by the Board 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 Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Centre for Education & Finance Management (CEFM), to perform additional internal checks.

CEFM's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a quarterly basis, CEFM reports to the Strategic Board of Trustees on the operation of the systems of control and on the discharge of the Strategic Board of Trustees' financial responsibilities.

GOVERNANCE STATEMENT (continued)

The internal checks function has been fully delivered in line with the EFA's requirements. No material control issues have arisen, as a result of the CEFM's work have been identified.

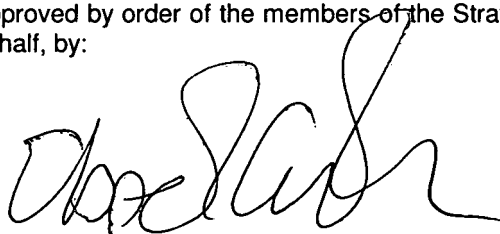
REVIEW OF EFFECTIVENESS

As Accounting Officer, the CEO 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 CEFM;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy 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 Board and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Strategic Board of Trustees on 6 December 2016 and signed on their behalf, by:



**E Griffiths
Chair of Trustees**



**F Allen
Accounting Officer**

**CORSHAM PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

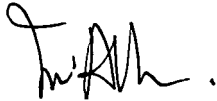
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Corsham Primary School I have considered my responsibility to notify the Academy Strategic Board 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 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 Strategic Board are able to identify any material irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Board of Trustees and EFA. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and EFA:

It was identified that during the year ended 31 August 2016, that the Academy had inadvertently entered into a finance lease, without seeking EFA approval. At the time the Academy was under the belief that it was an operating lease. The Academy has sought legal advice with the objective to terminate this lease.



**F Allen
Accounting Officer**

Date: 6 December 2016

**CORSHAM PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016**

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

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

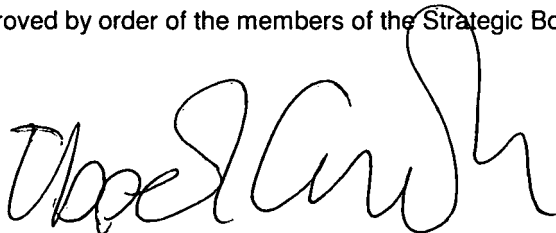
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 business.

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

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

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

Approved by order of the members of the Strategic Board of Trustees and signed on its behalf by:



**E Griffiths
Chair of Trustees**

Date: 6 December 2016

**CORSHAM PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CORSHAM PRIMARY SCHOOL**

We have audited the Financial Statements of Corsham Primary School for the year ended 31 August 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the Academy'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's members those matters we are required to state to them in an Auditors' 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 and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the Financial Statements sufficient to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the Financial Statements. In addition, we read all the financial and non-financial information in the Trustees' 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's affairs as at 31 August 2016 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
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Report, incorporating the Strategic Report, for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements.

**CORSHAM PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CORSHAM PRIMARY SCHOOL**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Bishop Fleming LLP

David Butler FCA DChA (Senior Statutory Auditor)
for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date: *19 December 2016*

**CORSHAM PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO CORSHAM
PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 27 August 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Corsham Primary School during the year 1 September 2015 to 31 August 2016 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 Corsham Primary School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Corsham Primary School 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 Corsham Primary School and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF CORSHAM PRIMARY SCHOOL'S AND THE REPORTING
ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Corsham Primary School's funding agreement with the Secretary of State for Education dated 30 March 2011, and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 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 2015 to 2016 issued by 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's income and expenditure.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the Financial Statements where appropriate and included analytical review and detailed substantive testing of transactions.

**CORSHAM PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO CORSHAM
PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

As discussed in the Accounting Officer's statement on page 20, the Academy did not operate in full accordance with the Academies Financial Handbook 2015 and the terms of the EFA Funding Agreement in the following area:

The Academy inadvertently entered into a finance lease during the year, without seeking EFA approval. The Academy has sought legal advice with the objective to terminate this lease.

Bishop Fleming LLP

David Butler FCA DChA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

Date: *19 December 2016*

CORSHAM PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	3,953	22,745	10,998	37,696	81,409
Charitable activities	3	245,103	2,771,472	-	3,016,575	2,707,124
Other trading activities	4,7	43,092	-	-	43,092	54,154
Investments	5	1,010	-	-	1,010	827
TOTAL INCOME		293,158	2,794,217	10,998	3,098,373	2,843,514
EXPENDITURE ON:						
Raising funds	7	-	-	-	-	7,869
Charitable activities		232,385	2,715,753	162,170	3,110,308	3,022,311
TOTAL EXPENDITURE	6	232,385	2,715,753	162,170	3,110,308	3,030,180
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	19	60,773	78,464	(151,172)	(11,935)	(186,666)
		-	(50,409)	50,409	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		60,773	28,055	(100,763)	(11,935)	(186,666)
Actuarial gains/(losses) on defined benefit pension schemes	25	-	(448,000)	-	(448,000)	9,000
NET MOVEMENT IN FUNDS		60,773	(419,945)	(100,763)	(459,935)	(177,666)
RECONCILIATION OF FUNDS:						
Total funds brought forward		126,181	(471,999)	6,421,980	6,076,162	6,253,828
TOTAL FUNDS CARRIED FORWARD		186,954	(891,944)	6,321,217	5,616,227	6,076,162

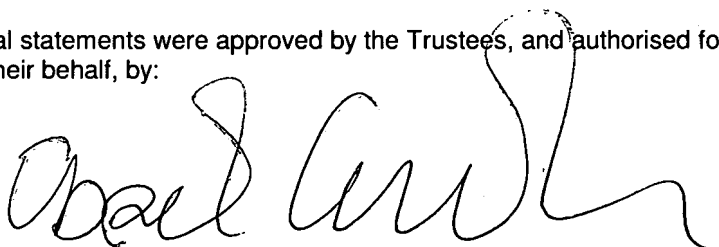
The notes on pages 29 to 50 form part of these financial statements.

CORSHAM PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07557894

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	14		6,321,217		6,421,980
Investments	15		1		1
			6,321,218		6,421,981
CURRENT ASSETS					
Debtors	16	157,333		175,606	
Cash at bank and in hand		321,997		147,675	
		479,330		323,281	
CREDITORS: amounts falling due within one year	17	(188,321)		(191,100)	
NET CURRENT ASSETS			291,009		132,181
TOTAL ASSETS LESS CURRENT LIABILITIES			6,612,227		6,554,162
Defined benefit pension scheme liability	25		(996,000)		(478,000)
TOTAL ASSETS			5,616,227		6,076,162
FUNDS OF THE ACADEMY					
Restricted funds:					
General funds	19	104,056		6,001	
Fixed asset funds	19	6,321,217		6,421,980	
Restricted funds excluding pension liability		6,425,273		6,427,981	
Pension reserve		(996,000)		(478,000)	
Total restricted funds			5,429,273		5,949,981
Unrestricted funds	19		186,954		126,181
TOTAL FUNDS			5,616,227		6,076,162

The financial statements were approved by the Trustees, and authorised for issue, on 6 December 2016 and are signed on their behalf, by:



E Griffiths
Chair of Trustees

The notes on pages 29 to 50 form part of these financial statements.

CORSHAM PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	21	<u>223,721</u>	<u>35,281</u>
Cash flows from investing activities:			
Interest received		1,010	827
Purchase of tangible fixed assets		(61,407)	(124,337)
Capital grants from DfE/EFA		<u>10,998</u>	<u>10,908</u>
Net cash used in investing activities		<u>(49,399)</u>	<u>(112,602)</u>
Change in cash and cash equivalents in the year		174,322	(77,321)
Cash and cash equivalents brought forward		<u>147,675</u>	<u>224,996</u>
Cash and cash equivalents carried forward	22	<u><u>321,997</u></u>	<u><u>147,675</u></u>

**CORSHAM PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

In accordance with the Academies Accounts Direction 2015 to 2016 capital grants are now recognised in Income from Donations and Capital Grants instead of Charitable Activities. Capital grants recognised in 2015 have been reclassified.

First time adoption of FRS 102

These financial statements are the first financial statements of Corsham Primary School prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Corsham Primary School for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 28.

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 Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 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 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 with restrictions imposed by the funder and include grants from the Department for Education.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.4 INCOME

All income is recognised once the Academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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 Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on raising funds includes all expenditure incurred by the Academy to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable Activities are costs incurred on the Academy's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £500 are capitalised.

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. Where there are specific conditions attached to the funding requiring the continued use of the asset, 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 the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

On conversion the Academy was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the local authority school. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold land	-	Straight line over 125 years
Long term leasehold buildings	-	Straight line over 50 years
Fixtures and fittings	-	10% Straight line
Computer equipment	-	20% Straight line

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

1.7 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

1.8 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.10 LIABILITIES AND PROVISIONS

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

1.11 FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Financial instruments includes cash at bank, trade debtors, accrued income from financial instruments (comprising dividends and interest due from investments), trade creditors and accrued expenditure.

1.12 OPERATING LEASES

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.13 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the Bank.

1.14 TAXATION

The Academy 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 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.

1.15 PENSIONS

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 and the assets are held separately from those of the Academy.

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 quadrennial valuations using a prospective unit credit method. As stated in note 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

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 credit 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 the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.16 GROUP ACCOUNTING

In preparing the Financial Statements the Academy has taken the exemption under FRS 102 Section 9 and has not consolidated the results of the trading subsidiary Pickwick Learning Limited on the basis that these are immaterial to the group.

1.17 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Academy makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy obtains use of fixed assets as a lessee. The classification of such leases requires the Academy to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

CORSHAM PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Educational visits	-	10,836	-	10,836	4,972
Other donations	3,953	11,909	-	15,862	10,445
Capital grants	-	-	10,998	10,998	65,992
	<u>3,953</u>	<u>22,745</u>	<u>10,998</u>	<u>37,696</u>	<u>81,409</u>

In 2015, of the total income from donations and capital grants, £1,385 was unrestricted, £69,116 was restricted funds and £10,908 was in relation to restricted fixed assets.

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant	-	2,315,697	2,315,697	2,259,115
Pupil Premium	-	153,472	153,472	159,723
Universal Infant Free School Meals	-	87,671	87,671	89,148
Teaching School	-	84,334	84,334	20,833
Other DfE/EFA grants	-	26,131	26,131	25,798
	<u>-</u>	<u>2,667,305</u>	<u>2,667,305</u>	<u>2,554,617</u>
Other Government grants				
High Needs	-	51,970	51,970	81,267
Other Government grants: non-capital	-	5,749	5,749	39,908
	<u>-</u>	<u>57,719</u>	<u>57,719</u>	<u>121,175</u>
Other funding				
Income for hosting trainee teachers	10,640	-	10,640	2,055
Educational visits	18,032	-	18,032	17,782
Services to other schools	216,431	-	216,431	-
Other	-	46,448	46,448	11,495
	<u>245,103</u>	<u>46,448</u>	<u>291,551</u>	<u>31,332</u>
	<u>245,103</u>	<u>2,771,472</u>	<u>3,016,575</u>	<u>2,707,124</u>

In 2015, of the total income from charitable activities, £20,045 was unrestricted and £2,687,079 was restricted funds.

CORSHAM PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Lettings	29,693	-	29,693	29,106
Consultancy	-	-	-	19,957
Fees received	2,419	-	2,419	70
Other	10,980	-	10,980	5,021
	<u>43,092</u>	<u>-</u>	<u>43,092</u>	<u>54,154</u>

In 2015, all income from other trading activities was unrestricted.

5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Gift Aid donation from subsidiary	-	-	-	338
Bank interest	1,010	-	1,010	489
	<u>1,010</u>	<u>-</u>	<u>1,010</u>	<u>827</u>

In 2015, all investment income was unrestricted.

6. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on raising funds		-	-	-	7,869
Education:					
Direct costs	1,974,024	95,911	247,279	2,317,214	2,186,834
Support costs	288,509	178,877	325,708	793,094	822,477
	<u>2,262,533</u>	<u>274,788</u>	<u>572,987</u>	<u>3,110,308</u>	<u>3,017,180</u>

In 2015, of the total expenditure, £44,366 was unrestricted, £2,808,129 was restricted and £164,685 was in relation to the fixed assets fund.

CORSHAM PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

7. EXPENDITURE ON RAISING FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Consultancy expenses	-	-	-	7,869

8. DIRECT COSTS

	Total 2016 £	Total 2015 £
Pension finance costs	16,840	10,240
Educational supplies	147,954	148,097
Examination fees	1,740	481
Staff development	12,062	14,793
Educational visits and other costs	21,594	27,762
Supply teachers	33,864	8,142
Recruitment and support	1,823	2,088
Wages and salaries	1,578,798	1,516,509
National insurance	87,331	73,411
Pension cost	274,031	250,680
Depreciation	141,177	142,951
	<u>2,317,214</u>	<u>2,195,154</u>

CORSHAM PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

9. SUPPORT COSTS

	Total 2016 £	Total 2015 £
Pension finance costs	2,160	5,760
Recruitment and support	1,491	495
Maintenance of premises and equipment	35,978	96,293
Cleaning	68,773	72,076
Rent and rates	32,337	26,684
Energy costs	27,458	29,173
Insurance	38,596	40,112
Security and transport	43,439	51,709
Catering	75,788	68,445
Technology costs	59,834	75,823
Office overheads	25,212	27,464
Legal and professional	52,793	33,274
Bank interest and charges	1,073	1,161
Governance	18,660	16,090
Wages and salaries	207,835	202,064
National insurance	7,224	7,102
Pension cost	73,450	51,698
Depreciation	20,993	21,734
	<u>793,094</u>	<u>827,157</u>

10. NET INCOME/ (EXPENDITURE) FOR THE PERIOD

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	162,170	164,685
Auditors' remuneration: audit	6,875	6,325
Auditors' remuneration: non-audit	4,575	2,565
Operating lease rentals	<u>16,172</u>	<u>10,029</u>

CORSHAM PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

11. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	1,786,633	1,726,442
Social security costs	94,555	80,513
Operating costs of defined benefit pension schemes	347,481	302,378
	<u>2,228,669</u>	<u>2,109,333</u>
Supply teacher costs	33,864	8,142
	<u>2,262,533</u>	<u>2,117,475</u>

The average number of persons employed by the Academy during the year was as follows:

	2016	2015
	No.	No.
Teachers	41	35
Administration and Support	54	54
Management	6	4
	<u>101</u>	<u>93</u>

Average headcount expressed as a full time equivalent:

	2016	2015
	No.	No.
Teachers	29	31
Administration and Support	31	29
Management	5	3
	<u>65</u>	<u>63</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2016	2015
	No.	No.
In the band £70,001 - £80,000	1	0
In the band £80,001 - £90,000	0	1

The key management personnel of the Academy comprise the Trustees and the Senior Leadership Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £333,835 (2015: £305,245).

As Staff Trustees are not remunerated in respect of their role as a Trustee, where Staff Trustees do not form part of the Senior Leadership Team other than in their role as Trustee, their remuneration as set out in note 12 has not been included in the total benefits received by key management personnel above.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

12. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: F Allen: Remuneration £75,000 - £80,000 (2015: £85,000 - £90,000), Employer's Pension Contributions £5,000 - £10,000 (2015: £10,000 - £15,000), S Ridout: Remuneration £25,000 - £30,000 (2015: £45,000 - £50,000), Employer's Pension Contributions £0 - £5,000 (2015: £5,000 - £10,000), J Essam £40,000 - £45,000 (2015: £35,000 - £40,000), Employer's Pension Contributions £5,000 - £10,000 (2015: £5,000 - £10,000), G Cooke: £55,000 - £60,000 (2015: £50,000 - £55,000), Employer's Pension Contributions £5,000 - £10,000 (2015: £5,000 - £10,000), L Fry: Remuneration £35,000 - £40,000 (2015: £15,000 - £20,000 for the 5 month period to September 2015), Employer's Pension Contributions £5,000 - £10,000 (2015: £0 - £5,000 for the 5 month period to September 2015).

During the year retirement benefits were accruing to 5 Trustees (2015: 5) in respect of defined benefit pension schemes.

During the year, no Trustees received any benefits in kind (2015: £NIL).

During the year ended 31 August 2016, expenses totalling £2,323 (2015: £1,917) were reimbursed to 4 Trustees (2015: 3).

Other related party transactions involving the Trustees are set out in note 27.

13. TRUSTEES' AND OFFICERS' INSURANCE

The Academy has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

CORSHAM PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

14. TANGIBLE FIXED ASSETS

	Long term leasehold land and buildings £	Fixtures and fittings £	Computer equipment £	Total £
COST				
At 1 September 2015	6,655,974	104,599	252,849	7,013,422
Additions	46,711	740	13,956	61,407
At 31 August 2016	<u>6,702,685</u>	<u>105,339</u>	<u>266,805</u>	<u>7,074,829</u>
DEPRECIATION				
At 1 September 2015	410,443	47,217	133,782	591,442
Charge for the year	110,242	9,223	42,705	162,170
At 31 August 2016	<u>520,685</u>	<u>56,440</u>	<u>176,487</u>	<u>753,612</u>
NET BOOK VALUE				
At 31 August 2016	<u>6,182,000</u>	<u>48,899</u>	<u>90,318</u>	<u>6,321,217</u>
At 31 August 2015	<u>6,245,531</u>	<u>57,382</u>	<u>119,067</u>	<u>6,421,980</u>

15. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 September 2015 and 31 August 2016	<u>1</u>

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the company:

Name	Holding
Pickwick Learning Limited (Share capital held by CEO on behalf of the Academy)	100%

The aggregate of the share capital and reserves as at 31 August 2016 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Pickwick Learning Limited (Share capital held by CEO on behalf of the Academy)	<u>1</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

16. DEBTORS

	2016 £	2015 £
Trade debtors	9,558	-
Amounts owed by trading subsidiary	5,987	4,238
VAT Recoverable	24,655	25,012
Prepayments and accrued income	117,133	146,356
	<u>157,333</u>	<u>175,606</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	57,019	17,945
Other taxation and social security	40,012	34,132
Other creditors	428	1,451
Accruals and deferred income	90,862	137,572
	<u>188,321</u>	<u>191,100</u>

	2016 £	2015 £
DEFERRED INCOME		
Deferred income at 1 September	63,064	63,880
Resources deferred during the year	62,998	63,064
Amounts released from previous years	(63,064)	(63,880)
Deferred income at 31 August	<u>62,998</u>	<u>63,064</u>

At the Balance Sheet date the Academy was holding funds received in advance from the EFA and for educational visits in the 2016/17 academic year.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

18. FINANCIAL INSTRUMENTS

	2016 £	2015 £
Financial assets measured at fair value through income and expenditure	321,997	147,675
Financial assets measured at amortised cost	63,209	105,285
	<u>385,206</u>	<u>252,960</u>
Financial liabilities measured at amortised cost	<u>84,883</u>	<u>81,009</u>

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

Financial assets measured at amortised cost comprise of trade debtors, accrued income and amounts owed by subsidiaries.

Financial liabilities measured at amortised cost comprise of trade creditors and accruals.

CORSHAM PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

19. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General funds	126,181	293,158	(232,385)	-	-	186,954
RESTRICTED FUNDS						
General Annual Grant (GAG)	-	2,182,275	(2,086,377)	(50,409)	-	45,489
PE and Sports Grant	-	10,674	(10,674)	-	-	-
Pupil Premium	-	158,906	(158,906)	-	-	-
Universal Infant Free School Meals (UIFSM)	-	87,671	(87,671)	-	-	-
Teaching Schools	6,001	84,334	(31,768)	-	-	58,567
Other DfE/EFA Grants	-	15,457	(15,457)	-	-	-
High Needs	-	185,392	(185,392)	-	-	-
Other Government Grants	-	315	(315)	-	-	-
Other restricted funds	-	69,193	(69,193)	-	-	-
Pension reserve	(478,000)	-	(70,000)	-	(448,000)	(996,000)
	(471,999)	2,794,217	(2,715,753)	(50,409)	(448,000)	(891,944)
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	4,848,177	-	(88,230)	-	-	4,759,947
DfE/EFA Capital grants	1,299,540	10,998	(20,685)	-	-	1,289,853
Capital expenditure from GAG	274,263	-	(53,255)	50,409	-	271,417
	6,421,980	10,998	(162,170)	50,409	-	6,321,217
Total restricted funds	5,949,981	2,805,215	(2,877,923)	-	(448,000)	5,429,273
Total of funds	6,076,162	3,098,373	(3,110,308)	-	(448,000)	5,616,227

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

19. STATEMENT OF FUNDS (continued)

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

RESTRICTED FUNDS

The General Annual Grant (GAG) represents funding received from the EFA during the period in order to fund the continuing activities of the school. During the year £50,409 (2015: £113,429) was transferred to the restricted fixed asset fund to represent fixed assets purchased from GAG.

PE and Sports Grant represents funding received from the EFA to fund improvements to the provision of PE and sport.

Pupil Premium represents funding received from the EFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Universal Infant Free School Meal (UIFSM) represents funding from the EFA to cover the cost of providing free school meals to all pupils in reception, year 1 and year 2.

Teaching Schools grant received from the National College for Teaching and Leadership represents funding towards the training and development of other schools.

Other DfE/EFA grants represents amounts received for rates relief provided by the EFA to cover the cost of non-domestic rates for the period.

High Needs represents funding received by the Local Authority to fund further support for students with additional needs.

Other Government Grants represents income received from the local authority which was paid in excess of the free school meals scheme that ceased throughout the year.

Other restricted funds represents donations, school trips and other income restricted in nature.

Pension reserve represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

FIXED ASSET FUNDS

Fixed assets transferred on conversion represent the buildings and equipment donated to the school from the Local Authority on conversion to an Academy.

DfE/EFA Capital grants represents Academies Capital Maintenance Fund (ACMF) and Devolved Formula Capital funding from the EFA to cover specific building projects, as well as the maintenance and purchase of the Academy's assets.

Capital Expenditure from GAG represents capital purchases made from the General Annual Grant.

OTHER INFORMATION

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 2016.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	6,321,217	6,321,217	6,421,980
Fixed asset investments	1	-	-	1	1
Current assets	198,079	281,250	-	479,329	323,280
Creditors due within one year	(11,126)	(177,194)	-	(188,320)	(191,099)
Pension scheme liability	-	(996,000)	-	(996,000)	(478,000)
	<u>186,954</u>	<u>(891,944)</u>	<u>6,321,217</u>	<u>5,616,227</u>	<u>6,076,162</u>

21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net expenditure for the year (as per Statement of Financial Activities)	(11,935)	(186,666)
Adjustment for:		
Depreciation charges	162,170	164,685
Interest received	(1,010)	(827)
Decrease/(increase) in debtors	18,273	(29,963)
(Decrease)/increase in creditors	(2,779)	24,960
Capital grants from DfE and other capital income	(10,998)	(10,908)
Defined benefit pension scheme cost less contributions payable	51,000	58,000
Defined benefit pension scheme finance cost	19,000	16,000
Net cash provided by operating activities	<u>223,721</u>	<u>35,281</u>

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash at bank and in hand	321,997	147,675
Total	<u>321,997</u>	<u>147,675</u>

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

24. GENERAL INFORMATION

Corsham Primary School is a company limited by guarantee, incorporated in England and Wales. The registered office is Pound Pill, Corsham, Wiltshire, SN13 9YW.

25. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for 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 Council. Both are Multi-Employer Defined Benefit Pension Schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS to the period ended 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. The key elements of the valuation and subsequent consultation are:

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FOR THE YEAR ENDED 31 AUGUST 2016

25. PENSION COMMITMENTS (continued)

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge.
- 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 previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £188,171 (2015: £158,712).

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

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The Academy 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 assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £117,000, of which employer's contributions totalled £86,000 (2015: £84,000) and employees' contributions totalled £31,000 (2015: £29,000). The agreed contribution rates for future years are 16.4% for employers and 5.5% - 12.5% for employees.

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

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2016	2015
Discount rate for scheme liabilities	2.10 %	3.80 %
Expected return on scheme assets at 31 August	2.10 %	3.80 %
Rate of increase in salaries	4.10 %	4.60 %
Rate of increase for pensions in payment / inflation	2.10 %	2.70 %

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

	2016	2015
Retiring today		
Males	22.3 years	22.3 years
Females	24.5 years	24.5 years
Retiring in 20 years		
Males	24.1 years	24.1 years
Females	26.9 years	26.9 years

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25. PENSION COMMITMENTS (continued)

The Academy's share of the assets in the scheme was:

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	741,000	569,000
Bonds	154,000	120,000
Property	124,000	96,000
Cash	10,000	16,000
	<u>1,029,000</u>	<u>801,000</u>
Total market value of assets	<u>1,029,000</u>	<u>801,000</u>

The amounts recognised in the Statement of Financial Activities are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(144,000)	(142,000)
Net interest cost	(19,000)	(16,000)
	<u>(163,000)</u>	<u>(158,000)</u>
Total	<u>(163,000)</u>	<u>(158,000)</u>
	<u>96,000</u>	<u>29,000</u>
Actual return on scheme assets	<u>96,000</u>	<u>29,000</u>

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

	2016 £	2015 £
Opening defined benefit obligation	1,279,000	1,071,000
Current service cost	144,000	142,000
Interest cost	52,000	43,000
Contributions by employees	30,000	29,000
Actuarial losses/(gains)	521,000	(17,000)
Benefits paid	(1,000)	11,000
	<u>2,025,000</u>	<u>1,279,000</u>
Closing defined benefit obligation	<u>2,025,000</u>	<u>1,279,000</u>

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

	2016 £	2015 £
Opening fair value of scheme assets	801,000	658,000
Interest income	33,000	27,000
Actuarial gains and (losses)	73,000	(8,000)
Contributions by employer	93,000	84,000
Contributions by employees	30,000	29,000
Benefits paid	(1,000)	11,000
	<u>1,029,000</u>	<u>801,000</u>
Closing fair value of scheme assets	<u>1,029,000</u>	<u>801,000</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

26. OPERATING LEASE COMMITMENTS

At 31 August 2016 the total of the Academy's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
AMOUNTS PAYABLE:		
Within 1 year	15,988	8,791
Between 1 and 5 years	44,080	6,440
Total	<u>60,068</u>	<u>15,231</u>

27. RELATED PARTY TRANSACTIONS

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

During the year the Academy received income of £NIL (2015: £338) from Pickwick Learning Limited, a company which has 100% of its share capital held by the Chief Executive Officer on behalf of the Academy. At the year end £5,987 (2015: £4,238) was unpaid and due to the Academy, this is included in other debtors.

During the year the Academy received income of £25,248 (2015: £25,250) from Snapdragons Nurseries Limited, a company which R Collard, a Trustee of the Academy is a director and shareholder. There was no balance at the year end (2015: £NIL) due to the Academy.

There were no other significant transactions during the year.

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FOR THE YEAR ENDED 31 AUGUST 2016

28. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Academy has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

RECONCILIATION OF TOTAL FUNDS	Notes	1 September 2014	31 August 2015
		£	£
Total funds under previous UK GAAP		6,253,828	6,076,162
Total funds reported under FRS 102		<u>6,253,828</u>	<u>6,076,162</u>

Reconciliation of net income/ (expenditure)	Notes	31 August 2015
		£
Net (expenditure) previously reported under UK GAAP		(173,666)
Interest cost on FRS17 pension liability	A	(13,000)
Net movement in funds reported under FRS 102		<u>(186,666)</u>

Explanation of changes to previously reported funds and net income/expenditure:

Under previous UK GAAP the Academy recognised an expected return on defined benefit plan assets in expenditure. Under FRS102 a net interest, based on the net defined benefit liability, is recognised in expenditure. There has been no change to the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to increase the expenditure by £13,000 and decrease the other recognised gains and losses in the SoFA by an equivalent amount.