

Company Registration No. 07976516 (England and Wales)

ST. JAMES' R.C. PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2014

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ST. JAMES' R.C. PRIMARY SCHOOL

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ST. JAMES' R.C. PRIMARY SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

A Barradell (Foundation Governor) *#
A Boshier (Head Teacher) *#
B Cotta (Parent Governor) #
J Gibson (Foundation Governor) #
P Gudge (Local Governor) *
M Hutchinson (Chair & Foundation Governor) *#
R Jasper (Foundation Governor) *
D McCabe (Foundation Governor) *
K Moon (Parent Governor) *#
T Paris (Foundation Governor) *
L Weeks (Deputy Head Teacher & Staff Governor) *#
B Wells (Foundation Governor) #
E Woodhoo (Staff Governor) (Appointed 1 September 2013) *
T Cooper (Foundation Governor) # (Appointed 1 September 2014)

* members of the Resources and Audit Committee
members of the Children and Learning Committee

Members

M Dickens
M Hutchinson
M Lee

Senior management team

- Head Teacher
- Deputy Head Teacher
- Senior Management Team/KS1
- Subject Leader Religious Education
- Senior Management Team

A Boshier
L Weeks
J Richards
M Wilson
C Connolly

Company Secretary

D Wells

Company registration number

07976516 (England and Wales)

Registered office

Maybury Close
Petts Wood
Orpington
Kent
BR5 1BL

Independent auditor

Baxter & Co
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

ST. JAMES' R.C. PRIMARY SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank PLC
6-8 Market Square
Bromley
Kent
BR1 1NA

Solicitors

Winckworth Sherwood
Minerva House
5 Montague Close
London
SE1 9BB

ST. JAMES' R.C. PRIMARY SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2014

The Trustees present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2013 to 31 August 2014.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

- The Trustees of St. James RC Primary School, an Academy Trust, are also the directors of the charitable company for the purposes of company law and they are governors of the Academy
- The academy trust was incorporated as a company on 31st of March, 2012 and the predecessor school converted to academy status on 1st of April, 2012.
- The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.
- The charitable company is known as St. James RC Primary School, an Academy Trust.
- Details of the trustees who served during the year are included in the Reference and Administrative Details included at the front of these accounts.

Members' liability

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

Method of recruitment and appointment or election of Trustees

In accordance with the articles, the trustees of the charitable company are the governors. They are appointed as follows:

- The Archbishop shall appoint eight foundation governors one of whom shall be the Parish Priest and three of whom at least shall be eligible for election and appointment as Parent Governors.
- The Governing body may appoint staff governors through a process as they may determine
- The Governing Body may appoint one Local governor
- The Head Teacher shall be treated for all purposes as being an ex officio Governor.

In respect of those appointed by the governors, when a vacancy arises, the governors seek to make an appointment that would maximise the relevant skills and experience on the board as a whole.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new governors will depend on their existing experience.

Where necessary, induction will provide training in charity, educational, legal and financial matters.

All governors are provided with the information needed (including policies, minutes, budgets, etc) to undertake their role as governors.

In addition to purchasing the Governor Training package from Bromley Local Authority, we also subscribe to Governor Courses provided by the Diocese of Southwark.

ST. JAMES' R.C. PRIMARY SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Organisational structure

The board of governors, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The board meets at least three times a year and has two committees;

- Resources & Audit Committee.
- Children & Learning Committee.
- Sub-committees are created ad-hoc when necessary, in addition to those reporting into the above.
(i.e. Pay / Premises / Admissions / Disciplinary / Appeals / Head Teacher's Performance).

Both committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members.

Governors delegate specific responsibilities to its committees, the activities of which are reported to and discussed at full Governing Body Meetings.

Day to day management of the company is undertaken by the Head Teacher, supported by the Leadership Team.

The Head Teacher is the Accounting Officer and the Business Manager is the Finance Officer.

Connected organisations including related party relationships

The Register of Business Interests confirms that there are no relationships with related parties and any other charities/organisations with which the academy co-operates in the pursuit of charitable activities.

Objectives and activities

Objects and aims

The main object of the company is the advancement of education in the United Kingdom.

It achieves this object principally through the operation of St. James Academy, the aim being to provide the highest possible standard of education and pastoral care, maximising the life-chances of its students.

Objectives, strategies and activities

The main objectives during the year were;

- To increase the number of children achieving L6 with particular reference to Reading
- 90% of Y1 pupils to meet the standard of the phonics test
- To narrow the gap between the SEN and EAL pupils to become closer to age-related expectations
- To enhance professional development through partnership working
- To update the school house in order to use it as an effective teaching space.

Public benefit

In setting the objectives and planning the associated activities, governors have given careful consideration to the Charity Commission's general guidance on public benefit.

Strategic report

Achievements and performance

- 24% of Y6 pupils achieved L6 in Maths and 7% in writing.
- KS2 SATs results were well above the National Average with 100% of pupils achieving L4 across all subjects with 90% achieving L5+ in Reading, 77% achieving L5+ in Writing and 83% achieving L5+ in Maths. Progress is well above the national average.
- KS1 results were well above the national average with 97% of pupils achieving 2b+ in Reading, 90% achieving 2b+ in Writing and 97% achieving 2b+ in Maths. This is an improvement on the previous year.
- 100% of Y1 pupils met the standard of the phonics test.

ST. JAMES' R.C. PRIMARY SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Going concern

After making appropriate enquiries, the Board has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

Key Financial Performance Indicators

To monitor the financial performance of the Academy the Governor's use key financial indicators.

- The Current Ratio is a financial ratio that measures whether or not a company has enough resources to pay its debts over the next 12 months. It compares a company's current assets to its current liabilities and we believe is an appropriate measure of the financial health of the Academy.
- Our Current Assets exceed our Current Liabilities by a ratio 4.5 to 1 (2013: 3.3 to 1) which is an indication of the strength of the liquidity position of the Academy. Going forward we would like this ratio to remain in the range 1.5/2.5.
- The most effective Cost Control Measure we monitor is Total Staff Costs as a percentage of Total Grant Income. Total Grant Income includes GAG, SEN Matrix Funding and Pupil Premium.
- The current figure is 83.38% (2013: 86.82%) which is falls just outside of our targeted variance level of 77.5% - 82.5%

These financial figures are recorded as per our Annual Accounts:

- Total incoming resources amounted to £1,015k (2013: £1,549k).
- Total resources expended were £967k (2013: £1,499k).
- Total fund balances at 31 August 2014 amounted to £141k (2013: £80k).
- Fixed asset fund of £nil (2013: £3k) reflects the value of unspent capital grant held at 31 August 2014.
- This fund is available for spending but is earmarked for qualifying capital purposes.
- Other restricted funds, available for spending amounted to £143k (2013: £92k).
- The academy's share of the LGPS deficit amounted to £(79k) (2013: £(90k)).
- Unrestricted funds stood at £77k (2013: £75k).

Reserves policy

The principal policy on reserves is that accumulation of unspent GAG (Government Allocated Grant) balances should not breach any limits thereon set out in the Funding agreement.

The level of reserves should never be in deficit.

Each year the Governors review the resource requirements and grant and other income that is forecast for the coming year and an annual budget is formulated and approved.

Investment policy and powers

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

Principal risks and uncertainties

The governors have assessed the major risks to which the company is exposed, in particular those relating to academic performance/finances/child welfare.

The governors have implemented a number of systems to assess risks that the company faces, and have developed policies and procedures to mitigate those risks.

Where significant financial risk still remains they have ensured they have adequate insurance cover.

The company has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The risk management process has been codified in a risk register implemented by the Senior Leadership Team and overseen by Governors.

ST. JAMES' R.C. PRIMARY SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

The principal financial risk faced by the company is that ongoing pressure on funding results in a risk that deficits may be experienced.

The budgeting and reporting process, including scrutiny by the governors of actual financial performance, mitigates the risk.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and 'trade' creditors), governors consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS (Local Government Pension Scheme) deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

Financial and risk management objectives and policies

Most of the company's income is obtained from the DfE (via the Education Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes.

The grants received from the DfE during the period ended 31 August 2013 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Plans for future periods

The principal task facing the company is to maintain and improve on the excellent educational standards achieved by the Academy.

Through our strong family & Catholic ethos, our staff, parents, governors and school PT, are committed to working together in the future to ensure we meet the needs and aspirations of every single child who attends the Academy.

In addition there are number key tasks for the year ahead:

- To increase still further the number of pupils attaining L6 at the end of KS2
- To ensure that attendance rates are high across the school
- To continue to close the gap between SEN, FSM and EAL pupils and the rest of the school
- To implement aspects of the New Curriculum that will enhance the learning across the school
- To formalise partnerships with other local schools in order to develop share good practice

Funds held as custodian trustee on behalf of others

The Academy does not act as a Custodian Trustee and therefore does not hold any funds on behalf of others.

Auditor

In so far as the Trustees are aware:

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

A resolution proposing that Baxter & Co be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the Board, as the company directors, on 17 December 2014 and signed on its behalf by:



M Hutchinson
Chair & Foundation Governor

ST. JAMES' R.C. PRIMARY SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2014

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that St. James' R.C. 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 has delegated the day-to-day responsibility to A Boshier the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St. James' R.C. Primary School and the Secretary of State for Education. They are also responsible for reporting to the Board any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board has formally met 3 times during the year. The attendance record of each Trustee at Board Meetings was as follows:

Trustees	Meetings attended	Out of possible
A Barradell (Foundation Governor)	3	3
A Boshier (Head Teacher)	3	3
B Cotta (Parent Governor)	2	3
J Gibson (Foundation Governor)	3	3
P Gudge (Local Governor)	2	3
M Hutchinson (Chair & Foundation Governor)	3	3
R Jasper (Foundation Governor)	3	3
D McCabe (Foundation Governor)	3	3
K Moon (Parent Governor)	3	3
T Paris (Foundation Governor)	2	3
L Weeks (Deputy Head Teacher & Staff Governor)	3	3
B Wells (Foundation Governor)	3	3
E Woodhoo (Staff Governor) (Appointed 1 September 2013)	2	3

The Resources and Audit committee is a committee of the main Board. Its purpose is to advise the Board on financial matters, monitoring financial management, financial position and taking responsibility for the process of risk management.

The attendance record of each Trustee at the Resource & Audit Meetings was as follows:

Trustees	Meetings attended	Out of possible
A Barradell (Foundation Governor)	1	3
A Boshier (Head Teacher)	3	3
P Gudge (Local Governor)	3	3
M Hutchinson (Chair & Foundation Governor)	2	3
R Jasper (Foundation Governor)	3	3
D McCabe (Foundation Governor)	2	3
K Moon (Parent Governor)	2	3
T Paris (Foundation Governor)	3	3
L Weeks (Deputy Head Teacher & Staff Governor)	3	3
E Woodhoo (Staff Governor) (Appointed 1 September 2013)	2	2

ST. JAMES' R.C. PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St. James' R.C. Primary School for the period 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the Academy Trust 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 Trust's significant risks that has been in place for the period 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of Trustees.

The risk and control framework

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

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

The Board has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the Trustees have appointed Allison Slatter, an external consultant, as responsible officer (RO).

During the period, the RO has conducted a visit to test transactions and systems and has reported findings in a written report to Trustees. No material control weaknesses were reported and the Trustees are satisfied that the role of RO has been fulfilled effectively.

The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a regular basis, the RO reports to the Board on the operation of the systems of control and on the discharge of the financial responsibilities of the Board.

ST. JAMES' R.C. PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Governing Body Courses

Courses Attended by Trustees up to School Year 2013/14 are listed below;

A Bosher - Head Teacher

Ofsted Training with Tribal, signed off- Nov 2014

L Weeks - Deputy Head Teacher

NPQSL - Sep 2013- November 2014

Mary Hutchinson - Chair of Governors

National College Chair of Governors National Accreditation 2013

Raise on line Training

Head Teacher Performance Management Training

Getting to Good

A Paris

Health & Safety for All School and Academy Governors - Apr 2014

Hearings: Guidance for all Governors and Clerks - Jun 2013

OFSTED 2012 Framework : Update for all governors - Dec 2012

Finance Training for Academy Governors - Nov 2012

Managing Change: The Implications of the 2011 Education Act & other Requirements - Set 2012

Chairs and Local Authority Governors' Forum - Budget - Jan 2011

Safer Recruitment Workshop - Jan 2011

Finance for Governors - Feb 2009

New Governors: Induction - Nov 2008

R Jasper

CIPFA - Certificate in Financial Reporting For Academies

E Safety Nationally recognised

Safeguarding - Advanced responsibility - Target Group 4, 5 and 6

Health and Safety Accreditation

B Cotta

Managing Change: The Implications of the 2011 Education Act and other Requirements - Sept 2012

Ofsted 2012 Framework: Update for all Governors - Oct 2012

Using Data to Support School Improvement - LA Maintained Schools and Academies - Nov 2012

New Governors: Induction - 3 Sessions - Nov 2012

Self Evaluation: The Governor's Role in Challenge and Support - Jan 2013

Health and Safety for All School and Academy Governors - Mar 2013

Appraisal of the Head Teacher - The Governor's Role - May 2013

Supporting Able Learners - May 2013

The Emotionally Intelligent Leader: A Practical Approach for Governors - Nov 2013

Finance Training for Academy Governors - Jan 2014

The Questions that Ofsted Might Ask - Feb 2014

Governors working in Partnership with the Head Teacher - Mar 2014

Performance Management of the Head Teacher - The Governors Role - May 2014

Parents - Governors working in Partnership - May 2014

Personnel Responsibilities of the Governing Body of All Schools and Academies - 2 Sessions - Jun 2014

ST. JAMES' R.C. PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

D McCabe

PE & Sports funding (Primary Schools) - Nov 2014

Personnel Responsibilities of the Governing Body of All Schools and Academies- Nov 2014

The Ever-changing Law of Education - Nov 2014

Foundation Course for Governors - May 2009

Health & Safety in Schools - Mar 2009

Data - How it can help Primary governors monitor school self-evaluation - Mar 2009

Able Gifted and Talented Pupils - Mar 2009

Making an Effective Governor Visit - Feb 2009

Safeguarding Children - The Governors' Role - Feb 2009

J Gibson

Parents: Governor Working in Partnership with Parents - Jun 2013

Safeguarding Children - Mar 2013

Using Data to Support School improvement Schools and Academies - Feb 2013

New Governors Induction - Nov 2012

Safeguarding Children - Nov 2012

K Moon

The Emotionally Intelligent Leader: A Practical Approach for Governors - Nov 2013

Behaviour Promoted Positively - The Governors Role - Jan

Self Evaluation: The Governors Role in Challenge and Support - Apr 2014

Special Educational Needs and Disability (SEND): Maximising Progress of Less Able Learners - Apr 2014

Parents: Governors Working in Partnership - May 2014

Special Education Needs & Disability: Oversight for all governors - Feb 2013

Self-Evaluation: The Governors role in challenging and support - Jan 2013

OFSTED 2012 Framework : Update for all governors - Dec 2012

New Governors Induction - Nov 2012

Using Data to Support School improvement Schools and Academies - Oct 2012

Review of effectiveness

As accounting officer the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the responsible officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the resources committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

ST. JAMES' R.C. PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Mission Statement

At St James' R.C. Primary School we:

- Actively demonstrate the Christian values that are shared by all.
- Maintain a safe, welcoming environment which fosters independence and resilience
- Promote positive relationships and respect for self and others
- Inspire children to be excited by learning.
- Enable everyone to reach their full potential and embrace the future.

WE BELIEVE IN YOU, AND YOUR ABILITY TO SUCCEED

Reports, Policies & Websites

St. James' OFSTED Report

- <http://www.ofsted.gov.uk/inspection-reports/find-inspection-report/provider/ELS/101656>:

St. James' School Results

Department of Education results prior to Academy conversion:

- <http://www.education.gov.uk/cgi-bin/schools/performance/school.pl?urn=137958>

Department of Education results after Academy conversion:

- <http://www.education.gov.uk/cgi-bin/schools/performance/school.pl?urn=137958>

St. James' Policies

- <http://st-james.bromley.sch.uk/importantdocuments/>

St. James' School Websites

- <http://st-james.bromley.sch.uk/>
- <http://st-james.bromley.sch.uk/information/>
- <http://st-james.bromley.sch.uk/importantdocuments/>
- <http://st-james.bromley.sch.uk/contact/>
- <http://st-james.bromley.sch.uk/community/organisations/>
- <http://st-james.bromley.sch.uk/pta/>
- <http://st-james.bromley.sch.uk/governors/>
- <http://www.education.gov.uk/>
- <http://www.educationcommission.org.uk/>

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

A Boshier
Head Teacher

A. Boshier

M Hutchinson
Chair & Foundation Governor

Mary Hutchinson

ST. JAMES' R.C. PRIMARY SCHOOL

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2014

As accounting officer of St. James' R.C. Primary School I have considered my responsibility to notify the Academy Trust Board and the Education Funding Agency of material irregularity, impropriety and non-compliance with Education Funding Agency terms and conditions of funding, under the funding agreement in place between the Academy Trust and Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.

Approved on 17 December 2014 and signed by:



A Boshier
Accounting Officer

ST. JAMES' R.C. PRIMARY SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

In preparing these accounts, the Trustees are required to:

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

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

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

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

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

M Hutchinson
Chair & Foundation Governor



ST. JAMES' R.C. PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ST. JAMES' R.C. PRIMARY SCHOOL

We have audited the accounts of St. James' R.C. Primary School for the year ended 31 August 2014 set out on pages 18 to 36. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 issued by the EFA.

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

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 13, the Trustees, who are also the directors of St. James' R.C. Primary School for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

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

Scope of the audit of the accounts

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

Opinion on accounts

In our opinion the accounts:

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

Opinion on other matter prescribed by the Companies Act 2006

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

ST. JAMES' R.C. PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ST. JAMES' R.C. 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

David John Walsh FCCA (Senior Statutory Auditor)
Baxter & Co

Chartered Certified Accountants
Statutory Auditor
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dated: 18 December 2014

ST. JAMES' R.C. PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST. JAMES' R.C. PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 03 May 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St. James' R.C. Primary School during the period 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of St. James' R.C. Primary School's accounting officer and the reporting accountant

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

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the work of the Responsible Officer.

ST. JAMES' R.C. PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST. JAMES' R.C. PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

David John Walsh FCCA
For and on behalf of Baxter & Co
Reporting Accountant
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dated: 18 December 2014

ST. JAMES' R.C. PRIMARY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2014

		Unrestricted funds	Restricted funds	Fixed Asset fund	Total 2014	Total 2013 17 months
	Notes	£'000	£'000	£'000	£'000	£'000
<u>Incoming resources</u>						
<i>Resources from generated funds</i>						
- Voluntary income	2	-	78	-	78	92
- Inherited on conversion		-	-	-	-	182
- Activities for generating funds	3	68	47	-	115	131
- Investment income	4	1	-	-	1	-
<i>Resources from charitable activities</i>						
- Funding for educational operations	5	-	813	8	821	1,144
Total incoming resources		<u>69</u>	<u>938</u>	<u>8</u>	<u>1,015</u>	<u>1,549</u>
<u>Resources expended</u>						
<i>Costs of generating funds</i>						
- Relating to voluntary income	6	14	35	-	49	48
- Fundraising trading	6	53	-	-	53	38
<i>Charitable activities</i>						
- Educational operations	7	-	837	-	837	1,378
Governance costs	8	-	28	-	28	35
Total resources expended	6	<u>67</u>	<u>900</u>	<u>-</u>	<u>967</u>	<u>1,499</u>
Net incoming/(outgoing) resources before transfers		2	38	8	48	50
Gross transfers between funds		-	11	(11)	-	-
Net income/(expenditure) for the year		<u>2</u>	<u>49</u>	<u>(3)</u>	<u>48</u>	<u>50</u>
<u>Other recognised gains and losses</u>						
Actuarial gains/(losses) on defined benefit pension scheme	16	-	13	-	13	30
Net movement in funds		2	62	(3)	61	80
Fund balances at 1 September 2013		75	2	3	80	-
Fund balances at 31 August 2014		<u>77</u>	<u>64</u>	<u>-</u>	<u>141</u>	<u>80</u>

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

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

ST. JAMES' R.C. PRIMARY SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2014

		2014		2013	
	Notes	£'000	£'000	£'000	£'000
Current assets					
Debtors	11	13		12	
Cash at bank and in hand		270		232	
		<u>283</u>		<u>244</u>	
Creditors: amounts falling due within one year	12	(63)		(74)	
Total assets less current liabilities			220		170
Defined benefit pension liability	16		(79)		(90)
Net assets			<u>141</u>		<u>80</u>
Funds of the Academy Trust:					
Restricted income funds	14				
- Fixed asset funds			-		3
- General funds			143		92
- Pension reserve			(79)		(90)
Total restricted funds			<u>64</u>		<u>5</u>
Unrestricted funds	14		<u>77</u>		<u>75</u>
Total funds			<u>141</u>		<u>80</u>

The accounts were approved by order of the Board and authorised for issue on 17 December 2014.

M Hutchinson

Chair & Foundation Governor



Company Number 07976516

ST. JAMES' R.C. PRIMARY SCHOOL

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2014

		2014	2013
	Notes	£'000	17 months £'000
Net cash inflow/(outflow) from operating activities	17	29	80
Cash funds transferred on conversion		-	139
Returns on investments and servicing of finance			
Investment income	1	-	-
Net cash inflow/(outflow) from returns on investments and servicing of finance		1	-
		30	219
Capital expenditure and financial investments			
Capital grants received	8	13	-
Net cash flow from capital activities		8	13
Increase/(decrease) in cash	18	38	232

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting policies

1.1 Basis of preparation

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

1.2 Going concern

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

1.3 Incoming resources

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

Grants receivable

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

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

Donations

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

Other income

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

Donated services and gifts in kind

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

1.4 Resources expended

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

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting policies

(Continued)

Costs of generating funds

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

Charitable activities

These are costs incurred on the Academy Trust's educational operations.

Governance costs

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

Assets costing £2,500 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £12,500) are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

1.6 Leasing and hire purchase commitments

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

1.7 Taxation

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

1.8 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 16, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each year.

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting policies

(Continued)

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.9 Fund accounting

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

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

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

2 Voluntary income

	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
School Journey and Voluntary Fund Income	-	34	34	47
Other donations	-	44	44	45
	<u>-</u>	<u>78</u>	<u>78</u>	<u>92</u>

3 Activities for generating funds

	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
Hire of facilities	-	-	-	1
Catering income	-	42	42	52
Other	68	5	73	78
	<u>68</u>	<u>47</u>	<u>115</u>	<u>131</u>

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

4 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
Short term deposits	1	-	1	-

5 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
DfE / EFA grants				
General annual grant (GAG)	-	783	783	1,046
Capital grants	-	8	8	13
Other DfE / EFA grants	-	12	12	7
	-	803	803	1,066
Other government grants				
Local authority grants	-	18	18	68
Other grants	-	-	-	10
	-	18	18	78
Total funding	-	821	821	1,144

6 Resources expended

	Staff costs £'000	Premises & equipment £'000	Other costs £'000	Total 2014 £'000	Total 2013 £'000
Academy's educational operations					
- Direct costs	541	-	57	598	1,041
- Allocated support costs	98	44	97	239	337
	639	44	154	837	1,378
Other expenditure					
Costs of generating voluntary income	-	-	49	49	48
Costs of activities for generating funds	53	-	-	53	38
Governance costs	-	-	28	28	35
	53	-	77	130	121
Total expenditure	692	44	231	967	1,499

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

6 Resources expended

(Continued)

Incoming/outgoing resources for the year include:	2014 £'000	2013 £'000
Operating leases		
- Plant and machinery	1	1
Fees payable to auditor		
- Audit	5	5
- Other services	5	4
	<u> </u>	<u> </u>

Included within resources expended are the following transactions. Individual transactions exceeding £5,000 are identified separately:

	2014
	£
Gifts made by the trust - total	43
	<u> </u>

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

7 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
Direct costs				
Teaching and educational support staff costs	-	541	541	790
Technology costs	-	11	11	36
Educational supplies and services	-	22	22	197
Staff development	-	7	7	4
Educational consultancy	-	4	4	5
Other direct costs	-	13	13	9
	<u>-</u>	<u>598</u>	<u>598</u>	<u>1,041</u>
Allocated support costs				
Support staff costs	-	98	98	154
Technology costs	-	3	3	3
Recruitment and support	-	5	5	6
Maintenance of premises and equipment	-	44	44	58
Cleaning	-	3	3	5
Energy costs	-	11	11	15
Rent and rates	-	10	10	12
Insurance	-	13	13	23
Security and transport	-	2	2	1
Catering	-	38	38	42
Interest and finance costs	-	3	3	4
Other support costs	-	9	9	14
	<u>-</u>	<u>239</u>	<u>239</u>	<u>337</u>
Total costs	<u>-</u>	<u>837</u>	<u>837</u>	<u>1,378</u>

8 Governance costs

	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
Legal and professional fees	-	18	18	26
Auditor's remuneration				
- Audit of financial statements	-	5	5	5
- Other non-audit costs	-	5	5	4
	<u>-</u>	<u>28</u>	<u>28</u>	<u>35</u>

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

9 Staff costs

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

	2014 Number	2013 Number
Teachers	7	6
Administration and support	10	11
Management	2	2
	<u>19</u>	<u>19</u>

Costs included within the accounts:

	2014 £'000	2013 £'000
Wages and salaries	577	825
Social security costs	32	49
Other pension costs	73	103
	<u>682</u>	<u>977</u>
Supply staff costs	10	5
	<u>692</u>	<u>982</u>

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

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

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

		2014	2013
Teachers' Pension Scheme	Numbers	1	1
	£'000	<u>10</u>	<u>13</u>
Local Government Pension Scheme	Numbers	-	-
	£'000	<u>-</u>	<u>-</u>

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

10 Trustees' remuneration and expenses

The Head Teacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as Trustees. During the year, no travel and subsistence or other expenses were reimbursed to any Trustees.

The value of Trustees' remuneration for the 12 month period (2013: 17 month period) was as follows:

A Boshier (Head Teacher) £65,000 - £70,000 (2013: £90,000 - £95,000)
L Weeks (Staff Governor) £45,000 - £50,000 (2013: £60,000 - £65,000)
V Place (Staff Governor) not appointed (2013: £15,000 - £20,000)
E Woodhoo (Staff Governor) £35,000 - £40,000 (2013: not appointed)

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

Trustees' and officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2014 was £540 (2013: £494).

11 Debtors	2014 £'000	2013 £'000
VAT recoverable	6	11
Other debtors	7	1
	<u>13</u>	<u>12</u>
12 Creditors: amounts falling due within one year	2014 £'000	2013 £'000
Taxes and social security costs	12	11
Accruals	30	63
Deferred income	21	-
	<u>63</u>	<u>74</u>

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

13	Deferred income			2014	2013	
				£'000	£'000	
	Deferred income is included within:					
	Creditors due within one year			21	-	
				<u>21</u>	<u>-</u>	
	Total deferred income at 1 September 2013			-	-	
	Amounts credited to the statement of financial activities			-	-	
	Amounts deferred in the year			21	-	
				<u>21</u>	<u>-</u>	
	Total deferred income at 31 August 2014			21	-	
				<u>21</u>	<u>-</u>	
14	Funds					
		Balance at 1	Incoming	Resources Gains, losses	Balance at 31	
		September	resources	expended and transfers	August 2014	
		2013				
		£'000	£'000	£'000	£'000	
	Restricted general funds					
	General Annual Grant	70	783	(760)	11	104
	Other DfE / EFA grants	2	12	(11)	-	3
	Other government grants	9	18	(27)	-	-
	Other restricted funds	11	125	(100)	-	36
		<u>92</u>	<u>938</u>	<u>(898)</u>	<u>11</u>	<u>143</u>
	Funds excluding pensions					
	Pension reserve	(90)	-	(2)	13	(79)
		<u>2</u>	<u>938</u>	<u>(900)</u>	<u>24</u>	<u>64</u>
		<u>2</u>	<u>938</u>	<u>(900)</u>	<u>24</u>	<u>64</u>
	Restricted fixed asset funds					
	DfE / EFA capital grants	3	8	-	(11)	-
		<u>3</u>	<u>8</u>	<u>-</u>	<u>(11)</u>	<u>-</u>
	Total restricted funds	5	946	(900)	13	64
		<u>5</u>	<u>946</u>	<u>(900)</u>	<u>13</u>	<u>64</u>
	Unrestricted funds					
	General funds	75	69	(67)	-	77
		<u>75</u>	<u>69</u>	<u>(67)</u>	<u>-</u>	<u>77</u>
	Total funds	80	1,015	(967)	13	141
		<u>80</u>	<u>1,015</u>	<u>(967)</u>	<u>13</u>	<u>141</u>

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

14 Funds

(Continued)

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

The General Annual Grant fund is to be used for the general operation of the academy.

The Other DfE/EFA fund and Other Government Grant fund represents the unspent balance of grants received during the period for specific purposes.

The Other Restricted Funds represent general funds which remain unspent, but are earmarked for particular purposes.

The DfE/EFA Capital Grant Fund represents unspent capital income at the period end and is set aside to fund future capital purchases.

Unrestricted General Funds represent balances held at the period end that can be applied at the discretion of the Governors, to support any of the Academy's charitable purposes.

15 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Fixed asset funds £'000	Total funds £'000
Fund balances at 31 August 2014 are represented by:				
Current assets	77	206	-	283
Creditors: amounts falling due within one year	-	(63)	-	(63)
Defined benefit pension liability	-	(79)	-	(79)
	<u>77</u>	<u>64</u>	<u>-</u>	<u>141</u>

16 Pensions and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Bromley. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2014 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

Introduction

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

ST. JAMES' R.C. PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

16 Pensions and similar obligations

(Continued)

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

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

Valuation of the Teachers' Pension Scheme

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:

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

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

A copy of the valuation report and supporting documentation is on the 'Teachers Pensions website <<https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx>>.

Teachers' Pension Scheme changes

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

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

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

16 Pensions and similar obligations

(Continued)

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 25% for employers and between 5.5% and 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £24K.

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.

	2014 £'000	2013 £'000
Employer's contributions	23	23
Employees' contributions	6	6
Total contributions	29	29

Principal actuarial assumptions

	2014 %	2013 %
Rate of increase in salaries	3.70	4.80
Rate of increase for pensions in payment	2.20	2.50
Discount rate for scheme liabilities	4.00	4.80
Rate of CPI inflation	2.20	2.50

Sensitivity Analysis

Scheme liabilities have been valued at £222k (2013: £231k). The measurement of these liabilities would change in the event that key assumptions underlying their valuation changed.

If the discount rate were to increase by 0.1%, liabilities would be measured at £216k (2013: £225k)

If the inflation rate were to increase by 0.1%, liabilities would be measured at £228k (2013: £236k)

If the life expectancy were to increase by a year, liabilities would be measured at £226k (2013: £235k)

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

16 Pensions and similar obligations

(Continued)

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

	2014 Years	2013 Years
Retiring today		
- Males	23.0	23.1
- Females	25.4	26.5
Retiring in 20 years		
- Males	25.3	25.1
- Females	28.3	28.5

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

	2014 Expected return %	2014 Fair value £'000	2013 Expected return %	2013 Fair value £'000
Equities	7.00	102	7.00	105
Other Bonds	3.80	24	4.40	19
Government Bonds	2.90	-	3.40	3
Cash / Liquidity	0.50	1	0.50	2
Other assets	7.00	16	7.00	12
Total market value of assets		143		141
Present value of scheme liabilities - funded		(222)		(231)
Net pension asset / (liability)		(79)		(90)

Assumptions on expected Rates of Return

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

The assumed investment return on government bonds is the yield on 20 year fixed interest gilts at the relevant date (2.9%). The expected investment return on corporate bonds is based on market yields at the relevant date, less a reduction to reflect a risk of default in the corporate bond yield (3.8% p.a).

The yield on equity investments will contain an "equity risk premium" in addition to the yield on government bonds, the overall expected return on equities as at 31 August 2014 was 7% p.a.

Assumed returns on property are based on the expected long term returns on cash investments, plus a premium.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

16 Pensions and similar obligations

(Continued)

Operating costs and income recognised in the statement of financial activities

	2014 £'000	2013 £'000
Financial expenditure/(income)		
Expected return on pension scheme assets	(9)	(5)
Interest on pension liabilities	12	9
	<u>3</u>	<u>4</u>
Other expenditure/(income)		
Current service cost	22	27
Past service cost	-	-
	<u>22</u>	<u>27</u>
Total operating charge/(income)	<u>25</u>	<u>31</u>

Actuarial gains and losses recognised in the statement of financial activities

	2014 £'000	2013 £'000
Actuarial (gains)/losses on assets: actual return less expected	36	(15)
Experience (gains)/losses on liabilities	(46)	-
(Gains)/losses arising from changes in assumptions	(3)	(15)
Total (gains)/losses	<u>(13)</u>	<u>(30)</u>
Cumulative (gains)/losses to date	<u>(43)</u>	<u>(30)</u>

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

	2014 £'000	2013 £'000
Opening defined benefit obligations	(231)	-
Obligations acquired on conversion	-	(204)
Current service cost	(22)	(27)
Interest cost	(12)	(9)
Contributions by employees	(6)	(6)
Actuarial gains/(losses)	49	15
	<u>(222)</u>	<u>(231)</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

16 Pensions and similar obligations

(Continued)

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

	2014 £'000	2013 £'000
Opening fair value of scheme assets	141	-
Assets acquired on conversion	-	92
Expected return on assets	9	5
Actuarial gains/(losses)	(36)	15
Contributions by employers	23	23
Contributions by employees	6	6
	<u>143</u>	<u>141</u>

History of experience gains and losses:

	2014 £'000	2013 £'000
Present value of defined benefit obligations	(222)	(231)
Fair value of share of scheme assets	143	141
	<u>(79)</u>	<u>(90)</u>
Experience adjustment on scheme liabilities	46	-
Experience adjustment on scheme assets	(36)	15

17 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2014 £'000	2013 £'000
Net income	48	50
Capital grants and similar income	(8)	(13)
Net deficit/(surplus) transferred on conversion	-	(182)
Net current assets other than cash transferred on conversion	-	155
Investment income	(1)	-
FRS17 pension costs less contributions payable	(1)	4
FRS17 pension finance income	3	4
(Increase)/decrease in debtors	(1)	(12)
Increase/(decrease) in creditors	(11)	74
	<u>29</u>	<u>80</u>
Net cash inflow/(outflow) from operating activities		

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

18	Reconciliation of net cash flow to movement in net funds	2014	2013
		£'000	£'000
	Increase/(decrease) in cash	38	232
	Net funds at 1 September 2013	232	-
	Net funds at 31 August 2014	270	232

19	Analysis of net funds	At 1	Cash flows	Non-cash	At 31 August
		September		changes	2014
		2013			
		£'000	£'000	£'000	£'000
	Cash at bank and in hand	232	38	-	270

20 Commitments under operating leases

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

	2014	2013
	£'000	£'000
Expiry date:		
- Between two and five years	1	1

21 Related parties

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

During the year the academy purchased clerking and company secretarial services from S Paris for £1,020. S Paris is a related party by virtue of the fact her husband is a Trustee of the academy. No balances were outstanding at the year end.

22 Members' liability

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