

Elburton Primary School Academy

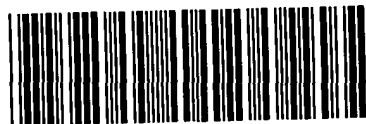
(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2014

Registration number: 08084557

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Elburton Primary School Academy

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Elburton Primary School Academy

Reference and Administrative Details

Members	Mrs F Court Mr D Farmer Mr D Green
Governors and Trustees (Directors)	Mrs F Court Mr D Green Mrs J Rickard Dr C Adams Mr A Beddow (resigned 12 September 2013) Mr J Dobson Mr S Drake Mrs T Fox Mrs V Gregory Mr S Harvey (resigned 1 February 2014) Mrs C Haynes Mr C Hall Mr M Hill Mrs L Keens (resigned 6 March 2014) Mrs S Lakey (resigned 7 September 2013) Mrs S Lovejoy Miss E Marriott Mr M Orchard Councillor V Pengelly Mr K Pullan Mr J Senior Mr D Bradford

Company Secretary Mrs S Goode

Senior Management Team Mr David Bradford, Head
Mr T Epps, Deputy headteacher
Mrs Puckett, Assistant headteacher

Principal and Registered Office Haye Road South
Elburton
PLYMOUTH
Devon
PL9 8HJ

Company Registration Number 08084557

Elburton Primary School Academy

Reference and Administrative Details

Auditors	Francis Clark LLP Statutory Auditor North Quay House Sutton Harbour PLYMOUTH Devon PL4 0RA
Bankers	Lloyds TSB Bank PLC Exeter Exeter Business Centre 234 High Street Exeter Devon EX4 3NL

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2014

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2014. The annual report serves the purpose of both a trustees' report, and a directors' report under company law.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company registration number is 08084557.

The Trustees of Elburton Primary School Academy 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 page 1.

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.

Trustees' indemnities

A full insurance indemnity is taken out with the Academy's insurance company; each member has cover of £5,000,000. This is reviewed annually to protect against potential risk.

Principal Activities

The Academy Trust's main objective is to advance, for the public benefit, education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Method of recruitment and appointment or election of Governors

The Governing body is made up of: three Member Governors; three Staff Governors; up to six Parent Governors; up to ten Community Governors; and the Headteacher.

The Staff Governors shall be elected by staff employed by the Academy. The Staff Governor must hold a permanent contract. Any election of Staff Governors which is contested shall be held by secret ballot.

The Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when they are elected. The Governing Body shall make all necessary arrangement for, and determine all other matters relating to, an election of Parent Governors, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Governors which is contested shall be held by secret ballot.

The Community Governors may be appointed by the Governing Body provided that the person who is appointed as a Community Governor is: a person who lives or works in the community served by the Academy; or a person who, in the opinion of the Governing Body, is committed to the government and success of the Academy.

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2014

Method of recruitment and appointment or election of Governors continued

The Governors may appoint up to three Co-opted Governors. A 'Co-opted Governor' means a person who is appointed to be a Governor by being Co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if thereby the number of Governors who are employees of the Academy Trust would exceed one third of the total number of Governors (including the Headteacher).

Policies and procedures adopted for the induction and training of Governors

At Elburton Primary School Academy the governing body and Headteacher are aware that it is essential that all new governors receive a comprehensive induction package covering a broad range of issues. We are committed to ensure that new governors are given the necessary information and support to fulfil their role with confidence and we are continually looking at new and better ways to improve this induction process. We believe that well informed governors lead to more effective governance. All new governors are made to feel welcome to their governing body.

New governors will:

- be welcomed to the governing body by the chair and vice chair
- be invited by the headteacher to visit the school, be given a tour of the school to experience its atmosphere, meet staff and children and understand its ethos
- have the opportunity to meet informally with an existing governor who will then act as their mentor. The mentor will explain how the governing body and its committees are conducted, an overview of the governor's role and governor training
- be encouraged to join the committee(s) of their choice
- be given background material on the school and current issues
- be encouraged to ask questions about their role and/or the school
- be encouraged to access training including induction training for governors

New governors will receive and be encouraged to read:

- Ofsted Report and Action Plan (if appropriate in the last 4 years)
- School Success Plan (current year)
- School Improvement Plan (1 – 3 year plan)
- Strategic Plan (3 – 10 year plan)
- Set of Minutes from last Governing Body meeting
- List of governors names and responsible areas
- Copy of latest school newsletter
- Dates of forthcoming governing body meetings and committee

Organisational structure

The governing body's role in the Academy is, essentially, responsible for the strategic direction of Elburton Primary School Academy. It should act as a critical friend and be accountable for its decisions. It is responsible for ensuring that the school is run in accordance with the Articles of Association and the Funding Agreement with the DfES.

To facilitate the working of the Governing Body some of its functions are delegated to committees. The committees are: Finance and Personnel; Standards; Premises; Pay and Appraisal Committee; First Committee (to deal with grievances, dismissals, complaints and disciplinary procedures); and the Appeals Committee.

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2014

Organisational structure continued

The Finance and Personnel meets once a term:

The purpose of the Finance and Personnel Committee is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity. To make appropriate comments and recommendations on such matters to the governing body on a regular basis. Major issues are referred to the full governing body and approval and adoption.

Learning and Standards meets once a term:

The purpose of the Learning and Standards Committee is to assist in the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure terms laid down under the relevant Education Acts relating to the Conduct of the School and curriculum are being met. To consider all detailed matters relating to the pupils' education and social well-being. To make appropriate comments and recommendations on such matters to the governing body on a regular basis. Major issues will be referred to the full governing body for approval and adoption.

Premises meet once a term:

The purpose of the Premises Committee is to assist the decision making of the governing body by enabling more detailed consideration to be given to the best means of providing a strategic oversight of the property of the Academy. The strategic oversight shall include recommendations and reports on acquisition, disposal, development and management strategies. To make appropriate comments and recommendations on such matters to the governing body on a regular basis. Major issues will be referred to the full governing body for approval and adoption.

Pay and Appraisal meets in the autumn term to discuss annual appraisals and pay; meets in the Spring term for Head teacher's mid-year appraisal; meets in the Summer term for Headteacher's end of year appraisal, review and update pay and appraisal policies, and determine what provision should be made in the school's budget for discretionary pay awards and progressions.

The committee will also meet to discuss and agree any changes to staff contracts/pay as required. The committee will also:

- Agree extent to which specific functions relating to pay determination and appeals processes will be delegated to others.
- Assure that appropriate arrangements for linking appraisal to pay are in place for teaching staff, are applied consistently and that pay decisions can be objectively justified.
- Approves teachers' salaries
- Monitor outcome of pay decisions

The First Committee will meet as and when required to deal with any complaints, disciplinary proceedings, dismissals or grievances. The Appeals Committee will meet as and when required to respond to any appeals made against the decisions of the First Committee or the Pay and Appraisal Committee.

The Headteacher is responsible for the day to day management of the school.

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2014

Objectives and activities

Objects and aims

Mission Statement: "inspiring today's children for tomorrow's world"

The key role for the school is to ensure that all children leave Elburton exceptionally well equipped to embark on the next stage of their education ready to become effective, well-adjusted individuals contributing as responsible citizens in society.

Our aims:

- To recognise achievement and exceed expectations by being creative, challenging and enjoy taking part in everything they do
- To become confident, well-adjusted and happy individuals who respect themselves and others, making a positive impact on the whole of the community
- To follow a full and active life so they maintain a healthy lifestyle
- To be in a happy and safe environment, nurturing skills to help them stay safe and healthy
- To develop the skills to be successful in life.

The principle focus for the school is for further continued improvement in standards and provision and in so doing retain the "Outstanding" Ofsted status of the school.

Objectives, strategies and activities

1. To ensure that the school remains an integral part of the community both at local and national level
2. Strive for the highest quality resources for pupils, staff and the community.

School priorities for 2014-15

Following our 'outstanding' OFSTED inspection the Teaching and Learning team evaluated the curricular priorities for the school.

Reading - further develop pupil's comprehension abilities and in particular higher level reading skills such as inference and deduction from texts

Writing

- ensure that the high skills of writing pupil's use in literacy lessons is extended to all occasions pupils write
- raise attainment of writing in KS1 by targeting and identifying high performance pupils in Foundation, Yr 1, Yr2 and thereby increase the number of level 2as and 3s at the end of Key Stage 1
- aspire for pupils in Key Stage 2 to achieve 4 aps progress per year

Matths

- ensure that opportunities are planned to apply pupils' high skills in mathematics in the wider curriculum
- further develop intervention strategies for pupils identified as making slower progress in maths -
- train staff in the use of Numicon and use where appropriate as an intervention tool
- ensure the use of icons/pictorial representation is maintained in KS2
- ensure that passive learners are identified and that they are discouraged from becoming reliant on adult help but move to become independent and confident learners

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2014

Objectives, strategies and activities continued

Curriculum

- embed the changes in broader curriculum ensuring that each curricular area is being taught and identified as being discrete subjects
- teachers are clear about the curricular outcomes to be achieved
- for subject leaders to be clear about progression in curricular areas and each year group clear about the skills appropriate to their age group

ICT

- introduce, monitor and embed computer sciences
- upgrade IT facilities

Assessment

- address new assessment criteria as a school and in conjunction with appropriate authorities

Public benefit

Elburton Primary School Academy is an 'inclusive' school and its principal objective is to provide a good education for students of different abilities between the ages of 4 and 11.

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2014

Strategic Report

Achievements and performance

Becoming an Academy has opened up many new opportunities for the school. We have now completed our second year as an Academy and we have all embraced our new responsibilities and accountability.

The last twelve months have been very successful and the school achieved its second 'Outstanding' OFSTED judgement in January 2014.

The school will continue to do everything to live up to the outstanding judgement with a school ethos that is always looking to improve. Second best and complacency are not in our thinking as we strive to achieve the best possible educational outcomes and experiences for our pupils.

This year we have been able to use the new freedoms of being an Academy to great effect.

- Achievement in the school remains high and above national averages
- The development of the intervention team closely linked to the pupil progress has gone from strength to strength helping pupils overcome specific learning difficulties.
- The school continues to be very popular and oversubscribed. The reputation of the school within the community is of great importance and pupils are reminded that they are always ambassadors of the school in all they do.
- The school is in a very sound financial position and can look forward to the next three years in a comfortable position. We have been able to expand targeted staffing and upgraded our computer equipment.
- Our Capital Bid for funds to build four extra classrooms within the main building was unfortunately unsuccessful, however we hope to submit a further bid in December 2014.
- Because of good financial management we were able to proceed with building works to the front of the school by increasing the size of one of our Yr2 classroom, improving the office accommodation and providing a new store room off the main hall.
- We continue to compete in many sporting competitions. Individual pupils have been successful in Cross Country and Athletics. We had our best performance at the Plymouth and SW Devon Athletics competition at Brickfields and Yr3 reached the finals of the Devon cross-country competition. The football team reached the semi finals of the Plymouth knock out cup.
- In music the school choir has again been highly sought after by many organisations and have sung at city celebrations including the Lord Mayor's official Carol concert in St Andrews church. They also won a Plymouth wide competition during the Spring term.
- One pupil won a category in a Rotary Club Art competition at the Brittany Ferry Terminal.
- We have successfully competed in many sporting competitions. Individual pupils have been successful in Cross Country and Athletics. The school was 3rd in the Devon Indoor Athletics Competition and has reached the finals of the Devon Rounders' Competition. In music the school choir has again been sought after by many organisations and won a Plymouth wide competition during the Spring term. Pupils from the school won all three categories in a Rotary Club Art Competition at the Brittany Ferries Terminal.
- Sadly we said goodbye to three long serving and highly experience staff who have contributed greatly to the success of the school. Mrs Puckett, Mrs Keeping and Mrs Irvine all decided to retire and will be missed by us all.

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2014

Strategic Report

The next twelve months will bring many more challenges:

- New members of staff, especially in senior leadership, will give us new perspective.
- The school will be implementing curriculum changes as a result of changes to the new National Curriculum. Particularly challenging will be the requirements of upgrading Computer Sciences and Modern Foreign Languages
- We will continue to source funds to replace the temporary classrooms with purpose built rooms within the main school building.
- The school has been given National Teaching School status which will allow the school to showcase and spread good practice

Key performance indicators

The key performance indicator for the Academy Trust is the adherence to the financial budget set at the beginning of the year. Excluding any generated funds, all income for the Academy is Government or Local Authority funded and therefore the income of the academy is largely a given.

An expenditure budget is set at the beginning of the year, taking into consideration the level of Government funding. The Governors have reviewed detailed capital and expenditure reports compared to expenditure budgets, which confirms that the processes and procedures in place for controlling expenditure are acceptable. The carried forward General Annual Grant is within acceptable parameters.

Going concern

After making appropriate enquiries, the governing body has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

Financial review

In this financial year the Academy has received the majority of its income from the EFA in the form of recurrent grants. The grants received from the EFA during the period ended 31 August 2014 and the associated expenditure are shown in the statement of financial activities.

During the year ended 31 August 2014 the total revenue expenditure of £1,661k and capital expenditure of £144k was more than covered by the funding from the EFA together with other incoming resources and the carry forward from the local authority. The excess of income over expenditure (excluding FRS 17 and depreciation expense) for the financial year ending 31 August 2014 was some £160,000.

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2014

Strategic Report

Financial and Risk Management Objectives and Policies

As noted previously the Academy has a Risk Management Policy from which a Risk Register is drafted. The financial risks for the Academy are as described below:

Principal Risks and Uncertainties

The governors of the Academy are aware of the risks that the Academy faces in the short, medium and long term, the principal risks and uncertainties have been identified following the risk management process.

Principal Risks and Uncertainties (other than the Pension deficit)

Funds in deficit

The Academy's non-teaching staff are entitled to membership of the Local Government Pension Scheme (LGPS). The Academy's share of the scheme's assets is currently assessed to be less than its liabilities in the Scheme and consequently the Academy balance sheet shows a net liability of £434,000. However, the deficit does not mean that an immediate liability for this amount crystallises. The contribution rate to reduce the liability is calculated by an independent actuary.

Reserves policy

The Academy holds total reserves (excluding fixed asset and pension funds of £168,798 which consists of £11,187 GAG and £158,611 of unrestricted funds.

The Academy will always ensure to stay within the EFA guidelines on levels and appropriate use of reserves.

Investment policy

Investments must be made only when approved by the governing body. A Treasury Management Policy is in place which defines:

- The management of the Academy's cash flows, banking and investment transactions,
- The management of the risks associated with these activities
- The pursuit of optimal returns consistent with those risks.

The objectives of the policy are to ensure that the Academy:

- Maintains sufficient cash balances in its current account to meet its day to day commitments,
- Invests surplus cash to earn an acceptable rate of return without undue risk,
- Consider spreading risk between differing types of investment and institutions to reduce credit risk

The Academy's current position is to only invest funds in risk free and easily accessible deposit account as outlined in the agreed Treasury Management Policy.

The Business Manager will maintain a register of all deposits/investments held which will record the Institution with which the deposit is placed, date deposit placed, amount deposited, date of maturity, amount returned, interest earned and rate of interest.

The Business Manager will present the Register of Deposits to the Governors on an annual basis. Periodically (at least annually) the Business Manager will review interest rates and compare with other investment opportunities. A working balance of £90,000 should be maintained in the main Academy's current account.

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2014

Strategic Report

Plans for future periods

1. Achievement

Literacy

- Review taking note of revised National Curriculum
- Progress and attainment to remain consistently above national averages
- Literacy to be used as the spine for the rest of the curriculum
- Attainment in writing at KS1 to reflect that achieved in reading - raise the number of level 3s attained to above national averages
- Develop pupil skills in reading further through developing guided reading, comprehension skills and a love of reading

Maths

- Review taking note of revised National Curriculum
- Attainment at KS1 to remain significantly above national averages for level 2+ and level 3
- Attainment at KS2 to remain significantly above national averages for level 4+ and level 5+
- Continue to focus on developing pupil's mental and oral skills in maths
- Develop further opportunities for maths to be present across the curriculum allowing pupils to use their mathematical skills in real situations and problem solving

Science

- Review taking note of the revised National Curriculum
- Integrate where relevant with the rest of the curriculum
- Raise the profile of science ensuring its relevance and experiential
- Review Assessment procedures and building into Pupil Tracker

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2014

PE/Sport

- 2 hours quality experiences a week
- Develop network of coaches
- Competitive Sports - inter and intra school
- Develop the roll of KS2 Sports co-ordinator
- Develop more extra-curricular activities especially KS1

Other areas of Curriculum

- To ensure a broad and balanced curriculum
- Review and integrate taking note of the revised National Curriculum
- Time review
- Identify and ensure key skills of Foundation subjects are taught
- Benchmark against National Standards, i.e. Artsmark, International Schools Award
- To review music taught throughout the school in the light of the revised National Curriculum in order to maintain high standards.
- Ensure easier and greater access to the music resources in school so that it can be used more effectively to support learning and raise standards within a thematic approach
- Explore the idea of expert tuition in music in years 5 and 6 (to follow on from year 4)
- To review art taught throughout the school in light of the revised National Curriculum in order to maintain high standards
- To review DT taking note of the revised National Curriculum
- To review Modern Foreign Languages taking note of the revised National Curriculum

2. Teaching

- All teaching will be consistently good with much outstanding
- Scrutiny of pupils' work
- High expectations of teaching learning by all staff
- Overcoming barriers for learning
- Continuous Professional Development
- Review Teaching and Learning Policy 2013-2014
- Training for Middle Managers
- Review homework - relevance and parent's connection with this 2013-14

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2014

3. Behaviour Safety and Attendance

- Behaviour will continue to be “exemplary” (OfSTED 2011)
- Behaviour will be judged on lesson observations; discussion with pupils during observations and through School Council; annual questionnaire to parents; observation of pupils during less structured times of the day; records on pupils with behaviour concerns.
- The school will ensure that all safeguarding practices are robust and regularly reviewed with staff.
- The school will ensure that all measures are taken to maintain a safe and secure environment for pupils
- The school will ensure that it is compliant with all Health and Safety guidelines
- The school will ensure that all aspects of its plant are regularly inspected and maintained
- Aim for year on year attendance of 97%
- Reward 100% attendance with certificate
- Challenge lateness
- Challenge persistent absence
- Follow up unaccounted absence by phone call
- Review attendance month with EWO
- Review Bullying Policy
- Review Behaviour Policy
- Review teaching or Internet Safety
- Review all Health and Safety Policies

4. Leadership and Management

- Ensure Leadership and Management at all levels in the school is of the highest possible standard
- School Improvement Plan - showing long term direction and targets
- Annual School Success Plan based on actual budget and implementing aspects of School Improvement Plan
- Annual evaluation as part of Success Plan process
- Governors annual in depth scrutiny of achievement
- Evaluation of all initiatives through Governing body committees
- Sharing the vision with all staff and governors annually and 3 yearly reviews of the school ethos
- Annual review of staffing by Pay and Appraisal Committee
- Governors to hold school to account by evaluation and scrutiny of results
- Governors given specific responsibilities for aspects of the schools work
- Governors to be involved in staff selection

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2014

5. School strategic direction (next 5 - 10 years)

- Continue to respond to curriculum changes as they occur and we are going to support this and prepare children for the next stage of their education.
- Consider employing specialist teachers (at the moment priority is for sport, music and modern foreign languages). Consider linking with other schools for increased efficiency/reduced costs.
- IT into classrooms with regular governor consultation on IT developments.
- Continue to maintain and build on links with Plymstock School, i.e. use of their young leaders to provide coaching and use of their sports facilities.
- Gifted and talented children to be given relevant and challenging opportunities in school.
- Continue to research opportunities to cut costs, e.g. renewable energy and sharing services with other schools.
- Continue to develop the school premises by replacing temporary classrooms, extending Year 2 classroom, extending office area, provide dedicated music/drama room, develop existing main hall, extend car parking facilities.
- Continue to maintain school and ensure it is in good order
- Maintain green space
- Keep abreast of research into green energy and its benefits.
- Maintain healthy fresh cooking on site. Further develop garden area to provide 'whole nutrition' experience for children from seed to table.
- Travel to School Plan - improve ratio of walk/drive to school ratio. Develop a sustainable plan. Reinforce importance to parents.

6. Other Key Aspects

- To take advantage of the freedoms and flexibilities of Academy status
- Develop links with other Academies ensuring good practice and economies of scale
- Parent surveys will continue to be overwhelmingly positive and the school will continue to be over-subscribed.
- Ensure Pupil Premium funding is used to the maximum benefit of vulnerable children
- Updating School website
- Review admission arrangements

Elburton Primary School and the wider community

The school is the heart of the Elburton Community and must continue to do so by enhancing

- Engagement with the local community
- Ensuring pupils know their role as responsible citizens and the school's expectations for good conduct and behaviour beyond the school gate
- The school's neighbourhood is used as a curricular resource so that pupils have an awareness of the history and context of where they live
- Ensure that the school has close ties with other agencies in the area, i.e. St Matthew's Church; Methodist Church etc.
- Events open to the community
- Ensure the school's facilities are available to the community
- Ensure the school is represented at local events

Elburton Primary School Academy

Trustees Report for the Year Ended 31 August 2014

Engagement with Britain and the Global community


- Make use of advantage to ensure pupils are aware that Elburton is not 'typical' of multicultural Britain, for example use multi faith centre for children to be taught about the faiths of other UK citizens and within the curriculum
- Promote understanding of differing social groups in the UK, i.e. through promotion of work of charities, PSHE and Assemblies
- Use the curriculum review to ensure pupils are aware of what it is to be a citizen of modern Britain
- Develop further our international links with China, Japan and South Africa
- Ensure parents are aware of how the school helps their children to prepare and contribute to life in modern Britain.

Auditor

In so far as the Governors are aware:

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

Approved by order of the Board of Trustees on 25 November 2014 and signed on its behalf by:


.....
Mrs F Court
Trustee

Elburton Primary School Academy

Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Elburton Primary School Academy 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 Governing Body has delegated the day-to-day responsibility to Mr D Bradford, Principal, 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 Elburton Primary School Academy and the Secretary of State for Education. They are also responsible for reporting to the Governing Body 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 Governing Body has formally met 3 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
Mrs F Court	3	3
Dr C Adams	2	3
Mr D Bradford	3	3
Mrs C Haynes	2	3
Mr D Green	2	3
Mrs J Rickard	3	3
Mrs T Fox	2	3
Mrs L Keens	1	1
Mr M Hill	3	3
Mr M Orchard	2	3
Mrs V Gregory	3	3
Councillor V Pengelly	1	3
Mr J Dobson	3	3
Mr K Pullan	3	3
Mrs S Lovejoy	2	3
Mr J Senior	2	3
Miss E Marriott	2	3
Mr C Hall	2	2
Mr S Drake	1	2

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Governance Statement (continued)

The Finance and General Purposes Committee is a sub-committee of the main Governing Body. Its purpose is to assist in the decision making of the governing body in relation to ensuring sound financial management of the academy's finances and resources including proper planning and probity. The committee also make appropriate comments and recommendations on such matters to the governing body, for approval and adoption. Attendance at meetings during the year was as follows:

Members of the Committee	Meetings attended	Out of a possible
Mrs C Haynes	3	3
Dr C Adams	3	3
Mr D Bradford	3	3
Mrs J Rickard	3	3
Mrs L Keens	1	2
Mr S Harvey	0	2
Mrs V Gregory	3	3
Mr J Dobson	3	3
Mr K Pullan	2	3
Mrs F Court	3	3
Councillor V Pengelly	0	3
Mr C Hall	1	2
Mr S Drake	1	2

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 the 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 Elburton Primary School Academy for the year ended 31 August 2014 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Body 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 Governing Body 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 year ending 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The risk and control framework

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

Elburton Primary School Academy

Governance Statement (continued)

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

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the Governors have appointed Carolyn Haynes as responsible officer (RO).

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 quarterly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

There were no material control or other issues reported by the RO to date.

Review of effectiveness

As Accounting Officer, Mr D Bradford, Principal 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.

Elburton Primary School Academy

Governance Statement (continued)

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

Approved by order of the members of the Governing Body on 25 November 2014 and signed on its behalf by:



.....
Mr D Bradford
Accounting Officer

F. Court
Mrs F Court
Trustee

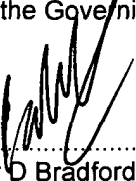
Elburton Primary School Academy

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Elburton Primary School Academy I have considered my responsibility to notify the Trust 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 Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Trust 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. If any instances are identified after the date of this statement, these will be notified to the Governing Body and EFA.



.....
Mr D Bradford, Principal
Accounting officer

Date: 25 November 2014

Elburton Primary School Academy

Statement of Trustees' Responsibilities

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

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

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

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

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

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

Approved by order of the Members of the Board on 25 November 2014 and signed on its behalf by:

.....*F. Court*.....
Mrs F Court
Trustee

Elburton Primary School Academy

Independent Auditor's Report on the Financial Statements to the members of Elburton Primary School Academy

We have audited the financial statements of Elburton Primary School Academy for the year ended 31 August 2014, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Cash Flow Statement and the related notes. 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).

This report is made solely to the charitable company's Trustees, 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 charity's Trustees 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditors

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 21), the Governors (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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 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 the financial statements

In our opinion the financial statements:

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

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 financial statements are prepared is consistent with the financial statements.

Elburton Primary School Academy

Independent Auditor's Report on the Financial Statements to the members of Elburton Primary School Academy (continued)

Matters on which we are required to report by exception

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

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



.....
Charles Evans (Senior Statutory Auditor)
For and on behalf of Francis Clark LLP, Statutory Auditor

North Quay House
Sutton Harbour
PLYMOUTH
Devon
PL4 0RA

25 November 2014

Elburton Primary School Academy

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

In accordance with the terms of our engagement letter dated 13 November 2012 and further to the requirements of the Education Funding Authority (EFA), we have carried out a review to obtain assurance about whether, in all material respects, the expenditure disbursed and income received by the academy trust during the period 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to the Trust Board and the EFA. Our review work has been undertaken so that we may state to the Trust Board and the EFA those matters we are required to state to it in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the Trust Board and the EFA, for our review work, for this report, or for the opinion we have formed.

Respective responsibilities of the governing body and Auditors

The Trust Board is responsible, under the requirements of the Academies Act 2010, subsequent legislation and related regulations, 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 review are established in the United Kingdom by our profession's ethical guidance and the audit guidance set out in the EFA's Financial Handbook and Accounts Direction. We report to you whether, in our opinion, anything has come to our attention in carrying out our review which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Annual Accounts Direction issued by the Education Funding Agency. 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:

- inspection and review of documentation providing evidence of governance procedures
- evaluation of the system of internal controls for authorisation and approval
- performing substantive tests on relevant transactions

Elburton Primary School Academy

Independent Reporting Accountant's Report on Regularity to Elburton Primary School Academy 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 year from 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.



.....
Charles Evans

For and on behalf of Francis Clark LLP, Chartered Accountants

North Quay House
Sutton Harbour
PLYMOUTH
Devon
PL4 0RA

25 November 2014

Elburton Primary School Academy

Statement of Financial Activities for the Year Ended 31 August 2014 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2014 £	Total 2013 £
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Voluntary income						
Transfer on conversion	2	-	-	-	-	36,405
Other voluntary income	2	1,041	38,728	-	39,769	2,703,483
Activities for generating funds	3	91,856	9,853	-	101,709	102,313
Investment income	4	1,500	-	-	1,500	221
<i>Incoming resources from charitable activities:</i>						
Funding for the Trust's educational operations	5	<u>12,151</u>	<u>1,549,850</u>	<u>5,037</u>	<u>1,567,038</u>	<u>1,765,658</u>
Total incoming resources		<u>106,548</u>	<u>1,598,431</u>	<u>5,037</u>	<u>1,710,016</u>	<u>4,608,080</u>
Resources expended						
<i>Cost of generating funds:</i>						
Cost of generating funds		41,172	9,779	-	50,951	48,139
<i>Charitable activities:</i>						
Trust's educational operations		-	1,526,955	74,981	1,601,936	1,746,704
Governance costs	8	<u>340</u>	<u>7,722</u>	<u>-</u>	<u>8,062</u>	<u>16,904</u>
Total resources expended	6	<u>41,512</u>	<u>1,544,456</u>	<u>74,981</u>	<u>1,660,949</u>	<u>1,811,747</u>
Net incoming/(outgoing) resources before transfers		65,036	53,975	(69,944)	49,067	2,796,333
Gross transfers between funds		<u>-</u>	<u>(144,338)</u>	<u>144,338</u>	<u>-</u>	<u>-</u>
Net income/(expenditure) for the year		65,036	(90,363)	74,394	49,067	2,796,333

Elburton Primary School Academy

Statement of Financial Activities for the Year Ended 31 August 2014 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) (continued)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2014 £	Total 2013 £
Other recognised gains and losses						
Opening defined benefit pension scheme liability		-	-	-	-	(272,000)
Actuarial gain/(loss) on defined benefit pension schemes	24	-	29,000	-	29,000	(133,000)
Net movement in funds/(deficit)		65,036	(61,363)	74,394	78,067	2,391,333
Reconciliation of funds						
Funds/(deficit) brought forward at 1 September 2013		93,575	(349,520)	2,647,278	2,391,333	-
Funds/(deficit) carried forward at 31 August 2014		158,611	(410,883)	2,721,672	2,469,400	2,391,333

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

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

Elburton Primary School Academy

(Registration number: 08084557)
Balance Sheet as at 31 August 2014

	Note	2014 £	2013 £
Fixed assets			
Tangible assets	12	2,721,672	2,643,680
Current assets			
Stocks	13	2,026	-
Debtors	14	98,475	78,804
Cash at bank and in hand		<u>230,252</u>	<u>109,683</u>
		330,753	188,487
Creditors: Amounts falling due within one year	15	<u>(149,025)</u>	<u>(18,834)</u>
Net current assets		<u>181,728</u>	<u>169,653</u>
Total assets less current liabilities		<u>2,903,400</u>	<u>2,813,333</u>
Net assets excluding pension liability		2,903,400	2,813,333
Pension scheme liability	24	<u>(434,000)</u>	<u>(422,000)</u>
Net assets including pension liability		<u>2,469,400</u>	<u>2,391,333</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		23,117	72,480
Restricted fixed asset fund		2,721,672	2,647,278
Restricted pension fund		<u>(434,000)</u>	<u>(422,000)</u>
		2,310,789	2,297,758
Unrestricted funds			
Unrestricted general fund		<u>158,611</u>	<u>93,575</u>
Total funds		<u>2,469,400</u>	<u>2,391,333</u>

The financial statements on pages 26 to 50 were approved by the Trustees, and authorised for issue on 25 November 2014 and signed on their behalf by:

..... *F. Court*
Mrs F Court
Trustee

Elburton Primary School Academy

Cash Flow Statement for the Year Ended 31 August 2014

	Note	31 August 2014 £	31 August 2013 £
Net cash inflow from operating activities	19	271,669	170,094
Returns on investments and servicing of finance	20	1,500	221
Capital expenditure and financial investment	21	<u>(152,600)</u>	<u>(60,632)</u>
Increase in cash in the year	22	<u>120,569</u>	<u>109,683</u>

Reconciliation of net cash flow to movement in net funds

Increase in cash in the year	120,569	109,683
Net funds at 1 September 2013	<u>109,683</u>	<u>-</u>
Net funds at 31 August 2014	<u>230,252</u>	<u>109,683</u>

Elburton Primary School Academy

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

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Annual 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.

Going concern

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

Incoming resources

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

Grants receivable

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

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

Sponsorship income

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

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.

Elburton Primary School Academy

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

1 Accounting policies (continued)

Donated services and gifts in kind

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

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.

All resources expended are inclusive of irrecoverable VAT.

Cost 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 Governor's meetings and reimbursed expenses.

Elburton Primary School Academy

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

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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

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.

Asset class	Depreciation method and rate
Buildings	straight line 2%
Furniture and equipment	straight line 20%
Computer equipment	straight line 33%

Leased assets

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

Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

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.

Elburton Primary School Academy

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

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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 the notes to the financial statements, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

Fund accounting

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

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

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

Elburton Primary School Academy

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

2 Voluntary income

	Unrestricted funds	Restricted funds	Total 2014	Total 31 August 2013
	£	£	£	£
Transfer on conversion	-	-	-	36,405
Other voluntary income				
Educational trips and visits	-	30,578	30,578	27,287
Donations - local authority asset transfer	-	-	-	2,655,684
Other donations	1,041	8,150	9,191	20,512
	<u>1,041</u>	<u>38,728</u>	<u>39,769</u>	<u>2,703,483</u>
Total voluntary income	<u>1,041</u>	<u>38,728</u>	<u>39,769</u>	<u>2,739,888</u>

3 Activities for generating funds

	Unrestricted funds	Restricted funds	Total 2014	Total 31 August 2013
	£	£	£	£
Hire of facilities	7,178	-	7,178	9,182
Catering income	12,739	-	12,739	8,456
School shop sales	7,757	-	7,757	2,567
Kids club income	64,182	-	64,182	72,223
Music tuition	-	9,853	9,853	9,885
	<u>91,856</u>	<u>9,853</u>	<u>101,709</u>	<u>102,313</u>

4 Investment income

	Unrestricted funds	Total 2014	Total 31 August 2013
	£	£	£
Short term deposits	<u>1,500</u>	<u>1,500</u>	<u>221</u>

Elburton Primary School Academy

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

5 Funding for Trust's educational operations

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total 2014 £	Total 31 August 2013 £
DfE/EFA capital grants					
Devolved Formula Capital Applications	-	-	5,037	5,037	3,598
DfE/EFA revenue grants					
General Annual Grant (GAG)	-	1,421,711	-	1,421,711	1,612,073
Other DfE/YPLA grants	-	84,026	-	84,026	57,514
Start up grant	-	-	-	-	24,991
	-	1,505,737	-	1,505,737	1,694,578
Other government grants					
SEN from LA	-	15,840	-	15,840	51,731
Non-government grants and other income					
Other income	12,151	28,273	-	40,424	15,751
Total grants	<u>12,151</u>	<u>1,549,850</u>	<u>5,037</u>	<u>1,567,038</u>	<u>1,765,658</u>

Elburton Primary School Academy

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

6 Resources expended

	Staff costs £	Premises £	Other costs £	Total 2014 £	Total 31 August 2013 £
Costs of activities for generating funds	35,731	52	15,168	50,951	48,139
Academy's educational operations					
Direct costs	1,061,866	75,803	108,248	1,245,917	1,446,846
Allocated support costs	<u>180,480</u>	<u>120,072</u>	<u>55,467</u>	<u>356,019</u>	<u>299,858</u>
	1,242,346	195,875	163,715	1,601,936	1,746,704
Governance costs including allocated support costs	<u>-</u>	<u>-</u>	<u>8,062</u>	<u>8,062</u>	<u>16,904</u>
	<u>1,278,077</u>	<u>195,927</u>	<u>186,945</u>	<u>1,660,949</u>	<u>1,811,747</u>

Net incoming/outgoing resources for the year include:

	31 August 2014 £	31 August 2013 £
Fees payable to auditor - audit	4,500	4,300
Operating leases - other leases	<u>1,192</u>	<u>603</u>

Elburton Primary School Academy

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

7 Charitable activities - Academy's educational operations

	Total 2014 £	Total 31 August 2013 £
Direct costs		
Teaching and educational support staff costs	1,061,866	1,247,239
Depreciation	75,803	72,636
Educational supplies	10,405	14,578
Staff development	10,016	6,543
Other direct costs	<u>87,827</u>	<u>105,850</u>
	<u>1,245,917</u>	<u>1,446,846</u>
Allocated support costs		
Support staff costs	156,480	176,908
FRS 17 service cost adjustment	24,000	2,000
Maintenance of premises and equipment	54,947	29,337
Cleaning	5,542	4,442
Rent and rates	13,288	11,284
Energy costs	14,132	13,845
Insurance	32,163	31,889
Recruitment and support	1,235	323
Security & transport	9,451	9,790
Bank interest and charges	121	94
Interest on defined benefit pension scheme	17,000	15,000
Other support costs	<u>27,660</u>	<u>4,946</u>
	<u>356,019</u>	<u>299,858</u>
	<u><u>1,601,936</u></u>	<u><u>1,746,704</u></u>

Elburton Primary School Academy

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

8 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 31 August 2013 £
Legal and professional fees	340	3,222	3,562	12,604
Auditors' remuneration				
Audit of financial statements	-	4,500	4,500	4,300
	<u>340</u>	<u>7,722</u>	<u>8,062</u>	<u>16,904</u>

9 Staff costs

	2014 £	31 August 2013 £
Staff costs during the year were:		
Wages and salaries	1,025,480	1,193,989
Social security costs	58,649	73,069
Pension costs	169,645	167,705
Supply teacher costs	<u>24,303</u>	<u>32,603</u>
	<u>1,278,077</u>	<u>1,467,366</u>

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

	31 August 2014 No	31 August 2013 No
Charitable Activities		
Teachers	26	26
Admin and support	11	10
Management	<u>3</u>	<u>3</u>
	<u>40</u>	<u>39</u>

Elburton Primary School Academy

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

9 Staff costs (continued)

The number of employees whose emoluments (excludes pension contributions) fell within the following bands was:

	31 August 2014 No	31 August 2013 No
£60,001 - £70,000	1	-
£80,001 - £90,000	-	1

1 (2013 - 1) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2014, pension contributions for these staff amounted to £9,864 (2013 - £11,396).

10 Trustees' remuneration and expenses

The Principal and staff trustees only receive remuneration (includes pension contributions) in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the Academy in respect of their role as trustees. The value of trustees' remuneration was as follows:

Mr D Bradford (Principal): £75,000 - £80,000 (2013 - £90,000 - £95,000)

Mrs T Fox (Staff Governor): £10,000 - £15,000 (2013 - £10,000 - £15,000)

Mrs J Rickard (Staff Governor): £10,000 - £15,000 (2013 - £10,000 - £15,000)

Miss E Marriott (Staff Governor): £45,000 - £50,000 (2013 - £Nil)

During the year ended 31 August 2014, travel and expenses totalling £347 (2013 - £388) were reimbursed to 1 trustees (2013 - 1).

Related party transactions involving the trustees are set out in note 25.

11 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2014 was £1,364 (2013 - £1,139).

The cost of this insurance is included in the total insurance cost.

Elburton Primary School Academy

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

12 Tangible fixed assets

	Freehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 September 2013	2,612,944	23,974	79,398	2,716,316
Additions	120,996	1,140	31,659	153,795
Disposals	-	(300)	(965)	(1,265)
At 31 August 2014	<u>2,733,940</u>	<u>24,814</u>	<u>110,092</u>	<u>2,868,846</u>
Depreciation				
At 1 September 2013	36,469	5,593	30,574	72,636
Charge for the year	33,680	4,963	35,965	74,608
Eliminated on disposals	-	(70)	-	(70)
At 31 August 2014	<u>70,149</u>	<u>10,486</u>	<u>66,539</u>	<u>147,174</u>
Net book value				
At 31 August 2014	<u>2,663,791</u>	<u>14,328</u>	<u>43,553</u>	<u>2,721,672</u>
At 31 August 2013	<u>2,576,475</u>	<u>18,381</u>	<u>48,824</u>	<u>2,643,680</u>

13 Stock

	31 August 2014 £
Clothing	<u>2,026</u>

14 Debtors

	31 August 2014 £	31 August 2013 £
Trade debtors	240	432
Prepayments	28,874	16,485
Accrued grant and other income	30,328	23,500
VAT recoverable	39,033	38,141
Other debtors	-	246
	<u>98,475</u>	<u>78,804</u>

Elburton Primary School Academy

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

15 Creditors: amounts falling due within one year

	31 August 2014 £	31 August 2013 £
Trade creditors	468	-
Other taxation and social security	18,403	-
Accruals	79,425	8,577
Deferred income	<u>50,729</u>	<u>10,257</u>
	<u>149,025</u>	<u>18,834</u>

	31 August 2014 £
Deferred income at 1 September 2013	10,257
Resources deferred in the period	50,729
Amounts released from previous periods	<u>(10,257)</u>
Deferred income at 31 August 2014	<u>50,729</u>

Deferred income relates to UIFSM income received in advance of £37,703, Devolved Capital of £8,736 received in advance and £4,290 held in respect of trips run post year end.

Elburton Primary School Academy

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

16 Funds

	Balance at 1 September 2013 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2014 £
Restricted general funds					
General Annual Grant	65,254	1,421,711	(1,305,582)	(170,196)	11,187
Pupil Premium	-	74,221	(75,476)	1,255	-
SEN	-	15,840	(40,596)	24,756	-
Other funds	34	86,659	(82,175)	220	4,738
Start up grant	7,192	-	-	-	7,192
	<u>72,480</u>	<u>1,598,431</u>	<u>(1,503,829)</u>	<u>(143,965)</u>	<u>23,117</u>
Restricted fixed asset funds					
Fixed asset fund	2,643,680	-	(74,608)	152,600	2,721,672
Devolved Capital	3,598	5,037	-	(8,635)	-
	<u>2,647,278</u>	<u>5,037</u>	<u>(74,608)</u>	<u>143,965</u>	<u>2,721,672</u>
Restricted pension funds					
Pension reserve	<u>(422,000)</u>	<u>-</u>	<u>(41,000)</u>	<u>29,000</u>	<u>(434,000)</u>
Total restricted funds	2,297,758	1,603,468	(1,619,437)	29,000	2,310,789
Unrestricted funds					
Unrestricted general funds	<u>93,575</u>	<u>106,548</u>	<u>(41,512)</u>	<u>-</u>	<u>158,611</u>
Total funds	<u>2,391,333</u>	<u>1,710,016</u>	<u>(1,660,949)</u>	<u>29,000</u>	<u>2,469,400</u>

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

- The General Annual Grant (GAG) restricted fund relates to the funding received from the EFA for the ongoing provision of education services to children.

- The Academy receives other restricted funding for the provision of education and training services to children.

- The defined benefit pension fund represents the current deficit on the Local Government Pension Scheme.

- The Academy operates restricted fixed asset funds. Income that is received by the Academy for the purchase of specific capital items or projects is allocated to these funds.

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

Elburton Primary School Academy

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

17 Analysis of net assets between funds

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	2,721,672	2,721,672
Current assets	158,611	172,142	-	330,753
Current liabilities	-	(149,025)	-	(149,025)
Pension scheme liability	-	(434,000)	-	(434,000)
Total net assets	<u>158,611</u>	<u>(410,883)</u>	<u>2,721,672</u>	<u>2,469,400</u>

18 Financial commitments

Operating leases

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

Operating leases which expire:

	31 August 2014 £	31 August 2013 £
Other		
Within one year	<u>1,192</u>	<u>603</u>

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

	31 August 2014 £	31 August 2013 £
Net income	49,067	2,796,333
Depreciation	74,608	72,636
Capital grants	-	(2,655,684)
Interest receivable	(1,500)	(221)
FRS 17 interest on defined benefit pension scheme	17,000	15,000
FRS17 service cost adjustment	24,000	2,000
Increase in stocks	(2,026)	-
Increase in debtors	(19,671)	(78,804)
Increase in creditors	<u>130,191</u>	<u>18,834</u>
Net cash inflow from operating activities	<u>271,669</u>	<u>170,094</u>

Elburton Primary School Academy

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

20 Returns on investments and servicing of finance

	16 August 2013 £	16 August 2012 £
Interest received	1,500	221
Net cash inflow from returns on investments and servicing of finance	<u>1,500</u>	<u>221</u>

21 Capital expenditure and financial investment

	31 August 2014 £	31 August 2013 £
Purchase of tangible fixed assets	(153,795)	(60,632)
Sale of tangible fixed assets	1,195	-
Net cash outflow from capital expenditure and financial investment	<u>(152,600)</u>	<u>(60,632)</u>

22 Analysis of changes in net funds

	At 1 September 2013 £	Cash flows £	At 31 August 2014 £
Cash at bank and in hand	<u>109,683</u>	<u>120,569</u>	<u>230,252</u>

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.

Elburton Primary School Academy

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

24 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

Introduction

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

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

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

Valuation of the Teachers' Pension Scheme

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.

Elburton Primary School Academy

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

24 Pension and similar obligations (continued)

Teachers' Pension Scheme Changes

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

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

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

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

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

Under the definitions set out in Financial Reporting Standard 17 (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Trust is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the 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 Trust has set out above the information available on the scheme and the implications for the academy in terms of the anticipated contribution rates.

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £65,000 (2013 - £77,000), of which employer's contributions totalled £49,000 (2013 - £59,000) and employees' contributions totalled £16,000 (2013 - £18,000). The agreed contribution rates for future years are £11,000 plus 14.3 per cent for employers and 5.5 to 7.5 per cent for employees.

Elburton Primary School Academy

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

24 Pension and similar obligations (continued)

Principal actuarial assumptions

	At 31 August 2014 %	At 31 August 2013 %
Rate of increase in salaries	4.50	5.10
Rate of increase for pensions in payment/inflation	2.70	2.90
Discount rate for scheme liabilities	4.00	4.70
Inflation assumptions (CPI)	2.70	2.90
RPI increases	<u>3.50</u>	<u>3.70</u>

Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

	+ 0.1% £	0.0% £	- 0.1% £
Adjustment to discount rate			
Present value of total obligation	830,000	850,000	870,000
Projected service cost	<u>75,000</u>	<u>77,000</u>	<u>79,000</u>
	+ 0.1% £	0.0% £	- 0.1% £
Adjustment to rate of inflation			
Present value of total obligation	821,000	850,000	879,000
Projected service cost	<u>74,000</u>	<u>77,000</u>	<u>80,000</u>
	+ 0.1% £	0.0% £	- 0.1% £
Adjustment to rate of salary growth			
Present value of total obligation	855,000	850,000	845,000
Projected service cost	<u>77,000</u>	<u>77,000</u>	<u>77,000</u>
	+ 1 Year £	None £	- 1 Year £
Adjustment to mortality age rating assumption			
Present value of total obligation	821,000	850,000	879,000
Projected service cost	<u>74,000</u>	<u>77,000</u>	<u>80,000</u>

Elburton Primary School Academy

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

24 Pension and similar obligations (continued)

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

	At 31 August 2014	At 31 August 2013
Retiring today		
Males retiring today	22.70	20.60
Females retiring today	26.00	24.60
Retiring in 20 years		
Males retiring in 20 years	24.90	22.60
Females retiring in 20 years	<u>28.30</u>	<u>26.50</u>

The Trust's share of the assets and liabilities in the scheme were:

	At 31 August 2014 £	At 31 August 2013 £
Equities	247,000	162,000
Gilts	23,000	35,000
Other bonds	17,000	-
Property	40,000	24,000
Cash	9,000	8,000
Other	<u>80,000</u>	<u>40,000</u>
Total market value of assets	416,000	269,000
Present value of scheme liabilities - funded	<u>(850,000)</u>	<u>(691,000)</u>
Deficit in the scheme	<u>(434,000)</u>	<u>(422,000)</u>

The expected rates of return were:

	At 31 August 2014 %	At 31 August 2013 %
Equities	6.70	7.00
Gilts	3.00	3.50
Other bonds	3.60	-
Property	5.90	6.00
Cash	2.90	.50
Other	<u>5.90</u>	<u>5.00</u>

Elburton Primary School Academy

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

24 Pension and similar obligations (continued)

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

The actual return on scheme assets was £28,000 (2013 - £32,000).

Amounts recognised in the statement of financial activities

	31 August 2014 £	31 August 2013 £
Current service cost	73,000	61,000
Total operating charge	73,000	61,000

Analysis of pension finance income/(costs)

	31 August 2014 £	31 August 2013 £
Expected return on pension scheme assets	(18,000)	(12,000)
Interest on pension liabilities	35,000	27,000
Pension finance income	17,000	15,000

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is £300,000 (2013 - £255,000).

Movements in the present value of defined benefit obligation

	31 August 2014 £	31 August 2013 £
At 1 September	(422,000)	(272,000)
Current service cost	(73,000)	(61,000)
Interest cost	(17,000)	(15,000)
Employee contributions	49,000	59,000
Actuarial losses/(gains)	29,000	(133,000)
At 31 August	(434,000)	(422,000)

Elburton Primary School Academy

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

24 Pension and similar obligations (continued)

Movements in the fair value of Trust's share of scheme assets

	31 August 2014 £	31 August 2013 £
At 1 September	269,000	162,000
Expected return on assets	18,000	12,000
Actuarial gains	74,000	18,000
Employer contributions	49,000	59,000
Employee contributions	16,000	18,000
Benefits paid	(10,000)	-
At 31 August	<u>416,000</u>	<u>269,000</u>

The estimated value of employer contributions for next period is £52,000 (2013 - £50,000).

History of experience adjustments

	31 August 2014 £	31 August 2013 £
Experience adjustments arising on scheme assets	74,000	18,000
Experience adjustments arising on scheme liabilities	<u>(33,000)</u>	<u>-</u>

Comparative figures have not been restated as permitted by FRS 17.

25 Related party transactions

Owing to the nature of the Academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors 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.