

ST ANDREW'S CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

St Andrew's Church of England Academy
(A Company Limited by Guarantee)

Annual Report and Financial Statements
Year ended 31 August 2016

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COMPANIES HOUSE

Company Registration Number:
08128214 (England and Wales)

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Lincoln
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**DUNCAN
& TOPLIS**
CHARTERED ACCOUNTANTS
AND BUSINESS ADVISERS

Duncan & Toplis is the trading name of Duncan & Toplis Limited, registered in England and Wales, company number 04544710.
Registered Office: 3 Castlegate, Grantham, Lincolnshire, NG31 6SF.
Registered to carry on audit work in the UK and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales.
A list of the directors of Duncan & Toplis Limited is available on our website and at all offices.

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REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mr I Burnley
Mr D Clarke
Mr M Webb
Lincoln Diocesan Trust and Board of Finance Limited

Governors

Mrs P Bennison-Pauls, Parent
Mrs K E Bradbury, Appointed by the members
Mr I Burnley, Parent
Mr R J Leggate, Foundation
Mr T J Peacock, Appointed by the members
Mrs R S Ruddock, Staff
Rev Major, Foundation (Ex Officio)
Mrs M Smith, Foundation
Mr T Wilkinson, Staff
Mr M J Whalley, Head Teacher (Ex Officio)
Mrs Rachel Lear, Parent
Mrs S Barlett-Jones, Parent
Mr P Masterman, Parent (appointed 11 May 2016)
Mr M J Haslam, Appointed by the members (resigned 30 September 2015)
Mr S Whiting, Parent (resigned 3 February 2016)

Senior Leadership Team

Mr M J Whalley, Head Teacher
Mrs K Martin, Assistant Head Teacher then from 1 July 2016
Deputy Head Teacher
Mrs J Leeson, Assistant Head Teacher
Mrs Judy Carter, School Business Manager (left June 2016)
Mrs L Garner, Bursar then appointed School Business Manager June 2016

Registered Office

St Andrew's Church of England Academy
King Edward Crescent
Woodhall Spa
LN10 6RQ
United Kingdom

Company Registration number

08128214

Independent Auditors

Duncan & Toplis Limited
4 Henley Way
Doddington Road
Lincoln
LN6 3QR

<p>ST ANDREW'S CHURCH OF ENGLAND ACADEMY (A company limited by guarantee)</p>

Bankers

Lloyds TSB
14 High Street
Horncastle
Lincs
LN9 5BL

Solicitors

Duncan A Pickering
4 Southfields
Bourne
Lincolnshire
PE10 9TZ

ST ANDREW'S CHURCH OF ENGLAND ACADEMY (A company limited by guarantee)

GOVERNORS' REPORT

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the period 1st September 2015 to 31 August 2016. The annual report serves the purposes of both a governors' report, and a directors' report under company law.

The trust operates an Academy for pupils aged 4 to 11 serving a catchment area in Woodhall Spa. It has a pupil capacity of 294 and had a roll of 295 in the school on the autumn 2016 school census.

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 Governors of St Andrew's Church of England Academy are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company is known as St Andrew's Church of England Academy.

Details of the Governors who served during the year are included in the Reference and Administrative Details on page one.

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 may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Governors' Indemnities

Governors benefit from indemnity insurance to cover the liability of the Governors which by virtue of any rule of law would otherwise attach them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. Insurance for Governors is included within the school's RPA Insurance.

Method of Recruitment and Appointment or Election of Governors

The number of Governors shall be not less than three nor more than fifteen except for appointments of any additional Governors made by the Secretary of State.

The academy trust shall have the following Governors:

- Up to three Governors appointed by the members of the Academy Trust.
- Up to three Foundation Governors, including the incumbent, appointed by the Diocese.
- Up to two Staff Governors appointed by the members of the Academy trust through such process as they may determine.
- A minimum of two Parent Governors appointed through an election process.
- The Head Teacher.
- Up to two Governors Co-opted by the Governing Body.

The term of office for any Governor shall be four years, save that this time limit shall not apply to the head teacher or the Incumbent. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

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Policies and Procedures Adopted for the Induction and Training of Governors

The training and induction provided for new Governors will depend on their existing experience. The Academy buys back into the Governor Support package provided by CFBT and this includes a full programme of induction and training courses.

The Governor responsible for development maintains a log of all training completed and reports of training matters at every full Governing body meeting.

All Governors are expected to complete the First Certificate in Governance and Safeguarding training within the first six months in office.

Organisational Structure

The Governors act as the trustees for the charitable activities of St Andrews Church of England Academy and are also directors for the purpose of company law. The Governors that served during the year were:

Mrs P Bennison-Pauls, Parent
Mrs K E Bradbury, Appointed by the members
Mr I Burnley, Parent
Mr M J Haslam, Appointed by the members
Mr R J Leggate, Foundation
Mr T J Peacock, Appointed by the members
Mrs R S Ruddock, Staff
Rev Major, Foundation (Ex Officio)
Mrs M Smith, Foundation
Mr T Wilkinson, Staff
Mr P Masterman, Parent
Mr M J Whalley, Head Teacher (Ex Officio)
Mr S Whiting, Parent
Mrs Rachel Lear, Parent
Mrs S Barlett-Jones, Parent

None of the Governors have any beneficial interest in the Company.

The Governors are responsible for the overall management and control of the Academy and formally meet six times a year.

The reviewing and monitoring of the work of the Academy is delegated to sub-committees which were, at the 1st September 2015, "Curriculum & Standards" and "Resources". The Committees meet five or six times a year. They all work under the Chairmanship of a Governor appointed at the first committee meeting in each academic year. Terms of Reference of these committees are agreed annually at these meetings.

The Clerk to the Governing Body co-ordinates the work of the full Governing Body and each committee.

The School Business Manager prepares the accounts of the Academy on behalf of the Governors, and is a member of the Resource Committee and attends full Governing Body meetings. The Head Teacher is the Accounting Officer.

The Governors determine the general policies of the Academy. The day to day running of the Academy is delegated to the Head Teacher who is supported by the Senior Leadership Team. The Head Teacher undertakes the key leadership role in the Academy but delegates the day to day educational, pastoral and administrative functions to members of the Senior Leadership Team. The day to day administration of the Academy is undertaken within the policies and procedures approved by the Governors.

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All non-staff Governors give their time to the role freely and no remuneration or expenses were paid during the period.

Arrangements for setting pay and remuneration of key management personnel

All procedures for setting the pay and remuneration of the Academy's key management personnel follow our school policy which mirrors approved STRB and DfE guidelines.

Connected organisation including related party relationships

At the present time the Academy does not have any connected organisations including related party relationships.

Objectives and Activities

Objects and Aims

The principle objective of the Academy is to provide education for pupils in an environment where all are proud and want to participate; where they can develop; where they feel physically and emotionally safe; where respect, good manners and good behaviour towards others are the norm; where lessons are productive and well taught and the learning is productive; and where any mistakes are seen as learning opportunities from which we can grow. Operating within this environment we strive to ensure every single child believes in their own potential and takes pride in their achievements, whether they be academic, sporting, cultural, social or personal.

To deliver this objective the strategic work of the Academy has been focussed on four key themes, those being:

For all children to attain well according to their ability and to progress well irrespective of their ability. We strive to ensure that this is done by:

- ensuring that the highest standards are met within teaching and learning
- effective systems are in place for monitoring and challenging pupil performance
- treating all children as individuals and supporting their personal needs
- informing and supporting parents in matters relating to the education of their children

Ensuring that we have the most effective and capable workforce possible. In order to facilitate this we will:

- ensure all staff access a supportive but challenging appraisal system
- raise profile and accountability of Senior Teachers
- raise expectations through rigorous application of pupil progress measures
- review roles and responsibility of staff within the SLT and develop a middle management structure

Ensuring that we have an appropriate, diverse and exciting curriculum by:

- allowing children to have a say in what interests them when choosing project themes
- giving children the opportunities to enrich their lives and excel
- ensuring that, where possible, learning should be based on experience and real life context
- developing the use of theme days and weeks
- ensuring that sufficient time is allocated to different curriculum strands

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Providing an environment where all members of the School Community are valued and supported and all decision making is made with the best interests of the children at its heart. We will:

- promote meaningful opportunities to reflect in our worship the Christian foundation of the school and its care for all who work here
- have appropriate systems in place to ensure that the school is safe
- support children and parents in regular school attendance
- provide an environment where we consult and listen to the views of all our stakeholders
- support all members of our School Community in any challenges they may meet

Objectives, Strategies and Activities

The priorities for the period were to:

1. Continue raising standards in reading, writing and maths across the school by ensuring that:
 - the average progress by each child is never less than expected and year group cohort progress equates to 3.5 tracking points.
 - the average point score for the Y6 cohort exceeds the equivalent of 14 tracking across Key Stage 2 with all Y6 children making at least expected progress across the Key Stage.
 - the average tracking point score for the Y2 cohort identifies at least good progress with all Y2 children making at least expected progress across Key Stage 1.
 - to maintain and raise the, higher than average, percentage of children attaining a Good Level of Development at the end of EYFS and for standards in writing at the end of EYFS to mirror that of reading'.
 - cross curricular dimensions are explored to best effect to support learning.
 - for each year group, handwriting continues to meet school age group expectations.
 - all children spell at a standard that at least matches their chronological age.
 - all children use grammar and punctuation appropriate to their ability.
 - all children understand and can recall their multiplication tables.
2. Ensure that the provision and quality of teaching provides breadth and balance along with support, extension and enrichment for all by:
 - providing a thematic based curriculum that meets both the needs of the children and the needs of relevant Government legislation.
 - using ICT to complement the curriculum provision.
 - ensuring children have the opportunities to consider and understand themselves within the school's Christian character as well as having respect and understanding for other people's views and beliefs.
 - supporting staff to ensure that no teaching is less than good and that all staff are able to demonstrate with increasing confidence those aspects of teaching and learning defined as outstanding.
 - targeting support and challenge for groups and individuals to maximum effect in relation to pupil premium, late entry and those of the highest ability.
 - the early identification of children with additional needs and the appropriate targeting of intervention to meet their needs
 - encouraging all EYFS children to be confident and independent learners with a particular focus on numbers and writing
 - develop provision in the Nursery to the same standard as expected currently in EYFS.

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3. Improve the effectiveness of leadership and management by:

- ensuring that the monitoring of teaching and learning continues to be rigorously evaluative and holds staff accountable for the progress of pupils.
- ensuring best value in resource allocation and provision by planning for the future of the school taking account the growth of the village.
- effectively promoting the school and its achievements.
- developing strategies for staff development through effective use of both internal and external opportunities.
- closely monitoring support so that all children, and specifically those on pupil premium, make at least good progress.
- working in collaboration with parents and other professionals as well as closely monitoring and continually evaluating the effectiveness of our provision for children with additional needs to support them in achieving their potential.
- ensure that resource provision effectively supports learning.
- closely monitoring attendance and implement revised procedures.
- closely monitoring provision for PE so that the Sport Premium is used to maximum effect.

Public Benefit

The Governors have complied with their duty to have due regard to exercise their powers to ensure that the trust is for the advancement of education, which includes the two clear principles of public benefit as published by the Charities Commission.

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STRATEGIC REPORT

Achievement and Performance

St Andrew's Church of England Academy has set strategic goals related to achievement, attainment and enrichment within a Church of England ethos. These goals are closely monitored by the Senior Leadership Team and Governing Body.

Our current procedures and system of self-review and external moderation identify the school as a "good school". This is supported by the following endorsements:

- "St Andrews is a thoroughly good school that continues to improve" Ofsted 2014.
- "High quality music, excellence in sport and opportunities to make films are just a selection of what the school offers" Ofsted 2014.
- St Andrews Church of England Primary School is a bright and attractive school. There is a calm and purposeful atmosphere throughout and this is complemented by pupils who show respect and consideration for all" Church School Inspector 2012.
- "Governors, leaders and managers have an accurate view of the school's work. They celebrate its strengths but any weaknesses are quickly and successfully tackled" Ofsted 2014

The attainment of children at the end of EYFS was significantly above the Local Authority average. Performance at the end of KS1 and KS2 showed a similar trend at both Local and National levels, with both KS1 children at the end of Year 2 and KS2 children at the end of Year 6 attaining at a level significantly above National age related expectations.

The impact of improved teaching and learning has ensured that progress in reading, writing and maths was at least good and often better for each year group in the Academic Year 2015 to 2016.

The effective tracking of pupil progress demonstrates the significant majority of children in the school are now attaining their challenging targets.

To ensure that high standards are maintained and raised further where possible the Academy:

- has a comprehensive School Development and Improvement Plan.
- operates a monitoring strategy that includes a full review of teaching and learning throughout the school.
- has contracted the services of outside Professional Agencies to provide external moderation and support self-evaluation.
- undertakes a comprehensive review on performance data regularly over the year and a full benchmarking review against Local and National data in EYFS, at the end of Key Stage 1 and at the end of Key Stage 2.
- implements a comprehensive appraisal programme for all staff.
- has constructed and furnished two group rooms and extended the additional needs office to facilitate its use for meetings and as a teaching area.

School sporting achievements have gone from strength to strength with the school achieving the Sainsbury School Games Gold Award for the period 2014 – 2015 & 2015 - 2016. The school offers a comprehensive sports provision both within the curriculum and through extra-curricular activities.

In addition, the school is currently holding awards for "Eco-Schools", Heart Start, Healthy Schools and is one of a limited number of schools who have been awarded the International School Award.

In September 2015 the school took over the provision of pre-school education from Woodhall Wizards. Woodhall Wizards was a charitable organisation that provided a nursery setting for ages 2 to 4 and

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also an after school club. The organisation was unable to find sufficient management committee members to continue operation and approached St Andrews with a request to subsume the offering within the school. The school has been able to assimilate these services, thus ensuring their continued community presence, whilst ensuring due financial diligence and separation of financial assets.

In 2015 -2016, using EFA Capital funding, the school successfully reinsulated to current standards and resurface the school roof. Having been identified as a critical component in our repairs planning, the school expects a net benefit with reduced energy consumption and CO2 emission.

Based on our most recent Parent View Questionnaire 95% of parents responded that they would recommend the school to a friend.

Key Financial Performance Indicators

As funding is based on pupil numbers this is key performance indicator. Pupil numbers in 2015-16 reached 302 as compared to 275 in 2014-2015 and 270 and 264, in 2013-2014 and 2012-13 respectively.

Another key financial indicator is total staffing costs as a percentage of GAG and Revenue Funding (excluding Capital Funding). For 2015-16 this was 89.5% and includes staffing costs and funding in respect of the Nursery introduced at the start of this period. Staffing costs as a percentage of GAG funding for 2014-15 was 84.6% and 82.8% in 2012-13.

Going Concern

After making appropriate enquiries, the board of Governors 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. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

Most of the Academy's income is obtained from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2016 and the associated expenditure are shown in the statement of financial activities.

During the year, the academy received total funding of £1,329,368 compared to total resources expended of £1,433,990 to give a deficit for the year of £104,622.

Taking into account the surplus brought forwards from last year / inherited from the former local authority school, the academy has £1,875,044 in accumulated reserves carried forward.

The Academy is on a sound financial footing and is regularly scrutinised through the work of the Resources Committee as well as the Responsible Officer (a named representative from Lincolnshire Audit). The Responsible Officer meets with the SBM regularly in line with the Academy regulations.

Key spending within the Academy is linked to the delivery of the School Development and Improvement Plan. Where spending falls outside this remit the implications of the expenditure is discussed by the Resources Committee and a decision reached by the Governing Body.

Reserves Policy

It is the policy of the Academy that financial reserves have been held to future proof the Academy in terms of capital projects for an increasing student roll, as well as prudence in relation to business

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contingencies. Unrestricted funds that have not been designated for specific use will be maintained at a maximum level equivalent to six months expenditure.

Funds in deficit

The Academy's non-teaching staff are entitled to membership of the Local Government Pension Scheme. 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 £399,000. 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 and is reported within the notes to the financial statements.

Investment Policy

It is the policy to invest any surplus funds in low risk short term deposits.

Principal Risks and Uncertainties

The Governors are responsible for the overseeing of the risks faced by the academy. Detailed considerations of risk are delegated to the Senior Leadership Team of the academy. Risks were identified, assessed and controls established throughout the period. Risk is managed under the headings of strategic, reputational, operational, compliance and financial risks as recommended by the DfE Financial Handbook.

Through the risk management process the governors are satisfied that the major risks identified will be adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks will be adequately managed.

Plans for Future Periods

The plans for the future period are articulated and published in the School Development and Improvement Plan. The four strategic strands outlined in the plan are:

- To promote high standards
- To pursue the highest standards of professional competence for all staff
- To promote a curriculum that maximises the opportunities for learning through the development of a meaningful, relevant and engaging curriculum
- To encourage an effective, reflective, caring & supportive corporate school

The local area is experiencing significant pressure for residential housing which could total several hundred units within the next few years. This will have a significant impact on the community, since St Andrew's Church of England Academy is the only mainstream primary school in the area with limited capacity to accommodate such a dramatic rise in numbers. This has been recognised by the school who are seeking to prepare for the anticipated rise in pupil population by applying for funding to build additional classroom space.

Funds Held as Custodian Trustee on Behalf of Others

No funds are held as custodian trustee on behalf of others.

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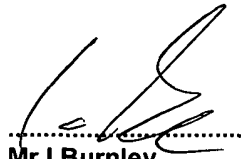
Auditor

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.

The Auditors, Duncan and Toplis Limited, are contracted to continue in office until August 2018.

Governors' report, incorporating a strategic report, approved by order of the members of the Governing Body, as the Company Directors, on 23 November 2016 and signed on its behalf by:


.....

Mr I Burnley
Chair of Governors

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GOVERNANCE STATEMENT

Scope of Responsibility

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

The Governing Body has delegated the day-to-day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management, and in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between St Andrew's Church of England Academy Trust 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 Governors Report and in the Statement of Governors Responsibilities. The Governing Body has met five times during the year. Attendance during the year at meetings of the Governing Body in the period was as follows:

Governor	Meetings attended out of a possible 5
Iain Burnley	5
Kathryn Bradbury	5
Pip Bennison-Pauls	5
Matthew Haslam	Left position before 1 st meeting
Richard Leggate	3
Tim Peacock	3
Tom Wilkinson	3
Rachel Ruddock	4
Rev Richard Major	2 out of 2
Rachel Lear	3
Margaret Smith	4
Shaun Whiting	3 out of 3
John Whalley	5
Stefanie Bartlett-Jones	4
Paul Masterman	1 out of 2

In April 2016 an external Governing Skills Audit was carried out. This highlighted the key areas which the Governing Body are now focussing on, which are:

- Personnel management expertise.
- Communicating with stakeholders as a Governing Body.
- Identifying good GB practise outside the school.
- Data analysis.

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The Governing body has a number of sub-committees:

Curriculum and Standard Committee

The Curriculum and Standards Committee purpose is to:

- review the School's curriculum policies on a regular basis to ensure that they comply with all appropriate legal requirements
- ensure that teaching programmes and opportunities comply with all appropriate equality and diversity legislation
- ensure that the School meets the legal requirements for pupil assessments.
- monitor the delivery of the National Curriculum
- make recommendations to the Full Governing Body on arrangements for Collective Worship and the provision of Religious Education
- make recommendations to the Full Governing Body on the policy for the provision of Sex Education and the delivery of PSHE in school
- review annual class organisation and class size with the Senior Management Team and make recommendations to and inform the Governing Body
- recommend to the Governing Body the targets to be achieved by pupils at the end of Key Stage 2
- review the quality of reporting to parents annually
- review attainment and progress of all pupils
- monitor and evaluate curriculum related targets within the School Development plan
- establish a review on curriculum complaints procedure
- review and monitor the School's Additional Needs Code of Practice, in consultation with the Head Teacher and the Additional Needs Co-Ordinator, ensure that the Additional Needs Governor monitors the implementation of the Additional Needs policy.

The curriculum and standard committee has formally met five times during the year. Attendance during the year at meetings of the curriculum and standard committee was as follows:

Governor	Meetings attended out of a possible 5
Kathryn Bradbury	5
Margaret Smith	5
Pip Bennison-Pauls	3
Richard Leggate	4
Tim Peacock	4
Rachel Ruddock	2
Rev Richard Major	5
Rachel Lear	2
John Whalley	5
Stefanie Bartlett-Jones	1
Jayne Leeson (non – Govenor)	5

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Resources Committee

The Resources Committee purpose is to:

- review the staffing structure in consultation with the Head teacher in March and June
- oversee the appointment procedure for all staff which has been delegated to the SLT
- establish and review a Performance Management policy for all staff
- oversee the process leading to staff reductions
- keep under review staff work/life balance, working conditions and well-being, including the monitoring of absence
- consider any query regarding decisions on pay grading or pay awards
- oversee and advise on the training and development of staff
- take primary responsibility for matters concerning staff welfare and ensure appropriate safeguarding procedures are agreed
- review and make recommendations on any personnel related policies
- receive reports from the School Business Manager
- ensure the Single Central Register is maintained and current, review and monitor the Equality and Diversity Plan
- oversee the drafting of appropriate Policy Documents to the full Governing Body (e.g. Equal Opportunities)
- oversee the drafting of the school prospectus (meeting legal requirements) and recommendations for its publication and distribution to the Governing Body
- be responsible on behalf of the Governing Body for ensuring that all matters of pupil health and welfare (e.g. school meals) are adequately provided for
- oversee home/school and community/business links
- oversee, monitor and advise on the implication of all matters relating to child protection and safeguarding
- oversee the drafting of school discipline/behaviour policy and recommendations for Governing Body approval
- oversee the drafting of the Home School Agreement and recommendations for Governing Body approval
- ensure that pupil attendance arrangements meet statutory requirements
- oversee and authorise the procedures for school visits in line with school policy and legal requirement
- oversee the drafting of the School Profile
- oversee the drafting of the Additional Needs policy and make recommendations for Governing Body approval
- monitor the implementation of the Additional Needs Code of Practice and provision for pupils with Education Healthcare Plans and those on the Additional Needs/Gifted and Talented register.

The Finance Handbook contains the Terms of Reference, duties and powers of the Head Teacher and the Resources Committee.

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With regard to Premises and Health and Safety purpose is to:

- advise the Governing Body on priorities, including Health and Safety, for the maintenance and development of the school's premises
- oversee arrangements for repairs and maintenance
- make recommendations to the Full Governing Body on premises-related expenditure, in consultation with the Head Teacher and the Finance Committee
- oversee premises-related funding bids
- oversee arrangements, including Health and Safety, for the use of school premises by outside users, subject to Governing Body policy
- establish and keep under review a Building Development Plan
- establish and keep under review an Accessibility plan and make recommendations and allocate Devolved Capital, and monitor the spend

Governor	Meetings attended out of a possible 5
Iain Burnley	3
Pip Bennison-Pauls	5
Rachel Lear	4
Tom Wilkinson	3
Laura Garner (non – Governor)	5
John Whalley	5
Shaun Whiting	1 out of 3
Kate Martin (non – Governor)	5
Paul Masterman	1 out of 1
Judy Carter (non – Governor)	4 out of 4

Review of Value for Money

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

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

Over the last financial period, the school has continued to take a wide range of steps to ensure that the education standards and levels of attainment for all pupils have continued to improve.

The school has focussed on targeted improvement linked to the School Development and Improvement Plan to ensure maximum impact on outcomes for pupils in key areas. The school has continued to target improving the quality of teaching, by ensuring teachers set challenging targets, by ensuring teachers provide feedback to pupils that helps move their learning forward and by involving parents and children more in their education. Outcomes at the school continue to be significantly higher than those achieved Nationally. In addition, the school has regained accreditation for UNICEF's Respecting Rights Award and continues to promote high quality Physical Education. It has established Nursery Provision for Pre-reception children as well as an After-school Club to run alongside its already successful Breakfast Club. The school has sought to promote staff development and self review. It is actively

ST ANDREW'S CHURCH OF ENGLAND ACADEMY (A company limited by guarantee)

involved in Peer Group moderation with other local Head Teacher to carry out targeted self-review, as well as the 'Mobilise' programme for identifying strategies to ensure the effective use of additional teaching assistant support.

Regular maintenance and refurbishment to the fabric of the buildings is ensuring that an attractive and stimulating environment is provided for all pupils. Significant refurbishment has taken place over the last twelve months. Governance provided strong challenge over such purchases and all contracts and services for the school are always appraised and approved to ensure value for money. In awarding contracts for goods and services, the school does not default to the option that was cheapest but considers which will be the most cost effective over time, or provide a service at a quality level necessary to ensure the required outcomes for pupils. The school has a policy of regularly applying for grants to improve the fabric of all its buildings and this will continue next year.

There is a constant desire within the school to improve through better systems that lead to better outcomes for pupils. Value for money is a key part of ensuring we are able to do this.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 Andrew's Church of England Academy Trust for the year ended 31 August 2016 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 2016 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:

- 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 Resource 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 decided to appoint an external third party, Lincolnshire Audit, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. Four times a year, the RO reports to the Governing Body

ST ANDREW'S CHURCH OF ENGLAND ACADEMY
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on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

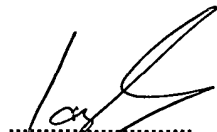
Review of Effectiveness

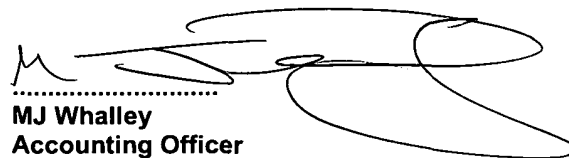
As accounting officer the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- the Governing Body
- 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.

Approved by order of the members of the Governing Body on 23 November 2016 and signed on their behalf, by:


.....
I Burnley
Chair of Governors


.....
MJ Whalley
Accounting Officer

<p>ST ANDREW'S CHURCH OF ENGLAND ACADEMY (A company limited by guarantee)</p>

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of St Andrew's Church of England Academy I have considered my responsibility to notify the Academy Trust Governing Body and the Education Funding Agency (EFA) of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the Academy Trust Governing Body 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 2015.

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.


.....
MJ Whalley
Accounting Officer

Date:

ST ANDREW'S CHURCH OF ENGLAND ACADEMY (A company limited by guarantee)
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STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who act as Trustees of St Andrew's Church of England Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors 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 governors are required to:

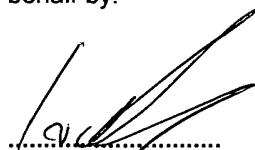
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS102) 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 Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform 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 Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Governing Body on 23 November 2016 and signed on its behalf by:


.....
I Burnley
Chair of Governors

ST ANDREW'S CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST ANDREW'S CHURCH OF ENGLAND ACADEMY

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

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

RESPECTIVE RESPONSIBILITIES OF GOVERNOR AND AUDITORS

As explained more fully in the Statement of Governor's responsibilities, the Governor (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the Year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Governor's report, incorporating the Strategic report, for the financial Year for which the financial statements are prepared is consistent with the financial statements.

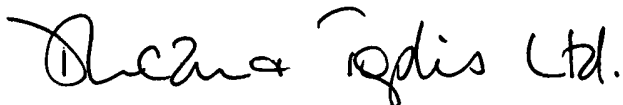
ST ANDREW'S CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST ANDREW'S CHURCH OF ENGLAND ACADEMY

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 Governor' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Governor was not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Timothy Godson FCA (Senior statutory auditor)

for and on behalf of

Duncan & Toplis Limited

4 Henley Way
Doddington Road
Lincoln
Lincolnshire
LN6 3QR

Date: 23rd November 2016

ST ANDREW'S CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO ST ANDREW'S
CHURCH OF ENGLAND ACADEMY AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 21 September 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Andrew's Church of England Academy during the Year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to St Andrew's Church of England Academy and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St Andrew's Church of England Academy 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 St Andrew's Church of England Academy and the EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF ST ANDREW'S CHURCH OF ENGLAND ACADEMY'S ACCOUNTING OFFICER AND THE REPORTING AUDITORS

The accounting officer is responsible, under the requirements of St Andrew's Church of England Academy's funding agreement with the Secretary of State for Education dated 1 August 2012, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the Year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by 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.

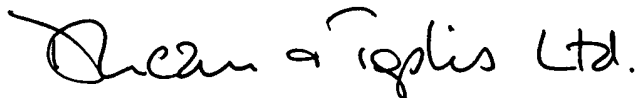
A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a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

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

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO ST ANDREW'S
CHURCH OF ENGLAND 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 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Timothy Godson FCA (Senior statutory auditor)

for and on behalf of

Duncan & Toplis Limited

4 Henley Way
Doddington Road
Lincoln
Lincolnshire
LN6 3QR

23 November 2016

ST ANDREW'S CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	9,295	22,798	7,060	39,153	238,977
Charitable activities	3	-	1,207,436	-	1,207,436	1,215,757
Other trading activities	4	78,117	4,436	-	82,553	56,077
Investments	5	226	-	-	226	244
TOTAL INCOME		87,638	1,234,670	7,060	1,329,368	1,511,055
EXPENDITURE ON:						
Charitable activities		63,106	1,323,892	46,992	1,433,990	1,304,023
TOTAL EXPENDITURE	8	63,106	1,323,892	46,992	1,433,990	1,304,023
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	17	24,532 (99,441)	(89,222) 35,287	(39,932) 64,154	(104,622) -	207,032 -
NET INCOME / (EXPENDITURE) BEFORE OTHER GAINS AND LOSSES						
		(74,909)	(53,935)	24,222	(104,622)	207,032
Actuarial losses on defined benefit pension schemes	23	-	(149,000)	-	(149,000)	(9,000)
NET MOVEMENT IN FUNDS		(74,909)	(202,935)	24,222	(253,622)	198,032
RECONCILIATION OF FUNDS:						
Total funds brought forward		116,664	(121,258)	2,133,259	2,128,665	1,930,633
TOTAL FUNDS CARRIED FORWARD		41,755	(324,193)	2,157,481	1,875,043	2,128,665

ST ANDREW'S CHURCH OF ENGLAND ACADEMY

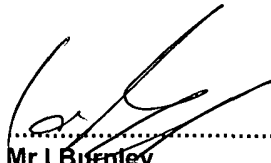
(A company limited by guarantee)

REGISTERED NUMBER: 08128214

**BALANCE SHEET
AS AT 31 AUGUST 2016**

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	14		2,149,897		2,052,348
CURRENT ASSETS					
Debtors	15	45,005		53,870	
Cash at bank and in hand		169,094		401,552	
		<u>214,099</u>		<u>455,422</u>	
CREDITORS: amounts falling due within one year	16	(89,953)		(144,105)	
NET CURRENT ASSETS			124,146		311,317
TOTAL ASSETS LESS CURRENT LIABILITIES			2,274,043		2,363,665
Defined benefit pension scheme liability	23		(399,000)		(235,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>1,875,043</u>		<u>2,128,665</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	17	74,807		113,742	
Restricted fixed asset funds	17	2,157,481		2,133,259	
Restricted funds excluding pension liability		2,232,288		2,247,001	
Pension reserve		(399,000)		(235,000)	
Total restricted funds			1,833,288		2,012,001
Unrestricted funds	17		41,755		116,664
TOTAL FUNDS			<u>1,875,043</u>		<u>2,128,665</u>

The financial statements were approved by the Governor, and authorised for issue, on 23 November 2016 and are signed on their behalf, by:



 Mr I Burnley
 Chair of Governors

The notes on pages 29 to 51 form part of these financial statements.

ST ANDREW'S CHURCH OF ENGLAND ACADEMY**(A company limited by guarantee)****STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	<u>(95,212)</u>	<u>92,673</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		226	244
Purchase of tangible fixed assets		(144,541)	(144,371)
Capital grants from DfE/EFA		<u>7,069</u>	<u>220,799</u>
Net cash (used in)/provided by investing activities		<u>(137,246)</u>	<u>76,672</u>
Change in cash and cash equivalents in the Year		(232,458)	169,345
Cash and cash equivalents brought forward		<u>401,552</u>	<u>232,207</u>
Cash and cash equivalents carried forward	20	<u>169,094</u>	<u>401,552</u>

<p>ST ANDREW'S CHURCH OF ENGLAND ACADEMY (A company limited by guarantee)</p>

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

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

St Andrew's Church of England Academy constitutes a public benefit entity as defined by FRS 102.

1.2 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Department for Education.

ST ANDREW'S CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.3 Income

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

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

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

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

All resources expended are inclusive of irrecoverable VAT.

ST ANDREW'S CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.5 Going concern

The Governors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long leasehold property	-	2% Straight Line
Plant and machinery	-	25% Straight Line
Fixtures and fittings	-	25% Straight Line
Computer equipment	-	33% Straight Line

1.7 Interest receivable

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

1.8 Operating leases

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

<p style="text-align: center;">ST ANDREW'S CHURCH OF ENGLAND ACADEMY (A company limited by guarantee)</p>

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

1. ACCOUNTING POLICIES (continued)

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Financial instruments

The Academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 Taxation

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

ST ANDREW'S CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.14 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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 credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities incorporating income and expenditure account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

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

1. ACCOUNTING POLICIES (continued)

1.15 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

1.16 Restatement of comparatives

Following revisions to the EFA Accounts Direction, certain expenses in 2015/16 have been classified on a different basis to 2014/15. Where such differences arise, comparatives have been realigned to accord with 2015/2016 classifications.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Capital grants	-	-	7,060	7,060	220,799
Gift on transfer of Woodhall Wizards	-	22,798	-	22,798	-
School trip income	9,295	-	-	9,295	18,178
	<u>9,295</u>	<u>22,798</u>	<u>7,060</u>	<u>39,153</u>	<u>238,977</u>
Total donations and capital grants	<u>9,295</u>	<u>22,798</u>	<u>7,060</u>	<u>39,153</u>	<u>238,977</u>

In 2015, of the total income from donations and capital grants, £18,178 was to unrestricted funds, £ NIL was to restricted funds and £220,799 to restricted fixed asset funds.

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3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant (GAG)	-	1,026,604	1,026,604	1,056,695
Pupil Premium	-	60,924	60,924	66,341
Other DfE/EFA Revenue grants	-	45,212	45,212	53,338
	-	1,132,740	1,132,740	1,176,374
Other government grants				
SEN 1-1 Funding	-	17,370	17,370	27,386
Other government revenue grants	-	44,141	44,141	-
	-	61,511	61,511	27,386
Other funding				
Other income revenue	-	13,185	13,185	11,997
	-	13,185	13,185	11,997
	-	1,207,436	1,207,436	1,215,757

In 2015, of the total income from charitable activities, £ NIL was to unrestricted funds and £1,215,757 was to restricted funds.

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Lettings income	2,265	-	2,265	2,135
Catering income	12,753	-	12,753	13,604
Receipts from staff insurance claims	-	4,436	4,436	8,449
Other income	63,099	-	63,099	31,889
	78,117	4,436	82,553	56,077

In 2015, of the total income from other trading activities, £47,628 was to unrestricted funds and £8,449 was to restricted funds.

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5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank account interest	226	-	226	244

In 2015, of the total investment income, £ 244 was to unrestricted funds and £ NIL was to restricted funds.

6. DIRECT COSTS

	Educational operations £	Total 2016 £	Total 2015 £
Educational supplies	32,310	32,310	23,626
Technology costs	12,106	12,106	14,320
Staff development	1,730	1,730	7,930
Other costs	36,867	36,867	6,908
Wages and salaries	730,377	730,377	695,378
National insurance	51,495	51,495	44,126
Pension cost	133,734	133,734	108,735
Depreciation	46,992	46,992	44,395
	<u>1,045,611</u>	<u>1,045,611</u>	<u>945,418</u>

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7. SUPPORT COSTS

	Educational operations £	Total 2016 £	Total 2015 £
Other finance income less expenses	9,000	9,000	8,000
Technology costs	1,131	1,131	1,293
Pupil recruitment and support	1,278	1,278	1,333
Maintenance of premises and equipment	26,284	26,284	23,979
Cleaning	21,732	21,732	18,158
Rent and rates	8,418	8,418	5,924
Energy costs	11,081	11,081	9,288
Insurance	18,565	18,565	23,284
Transport	10,125	10,125	6,937
Telephone, postage and stationery	10,564	10,564	9,551
Catering	66,963	66,963	70,391
Other costs	32,773	32,773	31,151
Bank interest and charges	233	233	64
Operating leases - other	7,063	7,063	10,484
Governance costs	29,748	29,748	20,235
Wages and salaries	104,779	104,779	93,890
National insurance	5,205	5,205	4,643
Pension cost	23,437	23,437	20,000
	<u>388,379</u>	<u>388,379</u>	<u>358,605</u>

During the Year ended 31 August 2016, the Academy incurred the following Governance costs:

£29,748 (2015 - £20,235) included within the table above in respect of Funding for the Academy's educational operations.

8. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Funding for the Academy's educational operations:					
Direct costs	915,606	-	130,005	1,045,611	945,418
Support costs	133,421	60,982	193,976	388,379	353,605
	<u>1,049,027</u>	<u>60,982</u>	<u>323,981</u>	<u>1,433,990</u>	<u>1,299,023</u>

In 2016, of the total expenditure, £63,106 (2015 - £24,558) was to unrestricted funds and £1,370,884 (2015 - £1,274,465) was to restricted funds.

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

9. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	46,992	44,395
Auditors' remuneration - audit	6,200	5,950
Auditors' remuneration - other services	1,780	925
Operating lease rentals	6,712	1,432
	<hr/> <hr/>	<hr/> <hr/>

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10. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	815,037	789,268
Social security costs	56,700	48,769
Operating costs of defined benefit pension schemes	157,171	128,735
	<u>1,028,908</u>	<u>966,772</u>
Supply teacher costs	20,119	-
	<u>1,049,027</u>	<u>966,772</u>

b. Staff Numbers

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

	2016 No.	2015 No.
Management	1	1
Teaching	18	13
Administration and support staff	35	36
	<u>54</u>	<u>50</u>

c. Higher paid staff

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

	2016 No.	2015 No.
In the band £60,001 - £70,000	1	1

The above employee earning more than £60,000 per annum participated in the Teachers' Pension Scheme. During the period ended 31 August 2016, pension contributions for the members of staff amounted to £10,303 (2015: £8,787).

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of remuneration and employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £225,802 (2015: £199,510).

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11. GOVERNOR'S REMUNERATION AND EXPENSES

One or more Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Governors. The value of Governors' remuneration and other benefits was as follows:

		2016	2015
		£'000	£'000
MJ Whalley, Head Teacher	Remuneration	60-65	60-65
	Pension contributions paid	10-15	5-10
Rachel Ruddock, Staff Governor	Remuneration	30-35	30-35
	Pension contributions paid	5-10	0-5
Tom Wilkinson, Staff Governor	Remuneration	15-20	15-20
	Pension contributions paid	0-5	0-5

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

During the year, a total of £8 (2015: £NIL) expenses was reimbursed to one governor (2015: NIL).

12. GOVERNOR'S AND OFFICERS' INSURANCE

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

13. OTHER FINANCE INCOME

	2016	2015
	£	£
Expected return on pension scheme assets	12,000	9,000
Interest on pension scheme liabilities	(21,000)	(17,000)
	(9,000)	(8,000)

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**NOTES TO THE FINANCIAL STATEMENTS
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14. TANGIBLE FIXED ASSETS

	Long leasehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2015	2,152,371	1,010	3,931	19,078	2,176,390
Additions	141,039	-	1,285	2,217	144,541
At 31 August 2016	2,293,410	1,010	5,216	21,295	2,320,931
Depreciation					
At 1 September 2015	108,243	714	2,133	12,952	124,042
Charge for the Year	39,766	253	1,144	5,829	46,992
At 31 August 2016	148,009	967	3,277	18,781	171,034
Net book value					
At 31 August 2016	2,145,401	43	1,939	2,514	2,149,897
At 31 August 2015	2,044,128	296	1,798	6,126	2,052,348

Included in long leasehold property is leasehold land at valuation of £295,000 (2015 - £295,000) which is not depreciated.

15. DEBTORS

	2016 £	2015 £
Other debtors	16,235	27,531
Prepayments and accrued income	28,770	26,339
	45,005	53,870

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16. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	15,827	77,452
Other taxation and social security	16,555	14,895
Other creditors	19,001	15,293
Accruals and deferred income	38,570	36,465
	<u>89,953</u>	<u>144,105</u>

Deferred income as at 31 August 2016 relates to the Universal Infant Free School Meals grant relating to 2016/17.

	2016 £	2015 £
Deferred income		
Deferred income at 1 September 2015	25,747	24,870
Resources deferred during the year	21,031	25,747
Amounts released from previous years	(25,747)	(24,870)
Deferred income at 31 August 2016	<u>21,031</u>	<u>25,747</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
Other income not for capital purposes	116,664	87,638	(63,106)	(99,441)	-	41,755
Restricted funds						
General Annual Grant (GAG)	77,573	1,026,604	(1,127,827)	23,650	-	-
Other DfE/EFA grants	20,534	106,136	(96,862)	(2,500)	-	27,308
Government grants	6,792	61,511	(61,510)	-	-	6,793
Other income	8,843	40,419	(22,693)	14,137	-	40,706
Pension reserve	(235,000)	-	(15,000)	-	(149,000)	(399,000)
	(121,258)	1,234,670	(1,323,892)	35,287	(149,000)	(324,193)
Restricted fixed asset funds						
DfE/EFA capital grants	-	7,060	-	(7,060)	-	-
Capital expenditure from GAG	8,221	-	(7,226)	3,501	-	4,496
Capital expenditure from other income	1,913,764	-	(34,568)	3,835	-	1,883,031
Other government capital grant	211,274	-	(5,198)	63,878	-	269,954
	2,133,259	7,060	(46,992)	64,154	-	2,157,481
Total restricted funds	2,012,001	1,241,730	(1,370,884)	99,441	(149,000)	1,833,288
Total of funds	2,128,665	1,329,368	(1,433,990)	-	(149,000)	1,875,043

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

General Annual Grant (GAG) must be used for the normal running costs of the Academy.

Other DfE / EFA Grants comprise of various grants awarded for specific projects, in particular to boost standards of attainment. Grants include Pupil Premium funding which is intended to support education from pupils from a disadvantaged background.

Local Government Grants includes funding provided for pupils with Statements of Special Educational

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**NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (continued)

Needs and is used by the academy to assist with the pupils education.

Devolved capital funding is that provided to academies to use as it sees fit in areas such as improvements to buildings or facilities, or the repair or refurbishment of such.

Other capital grants are provided to the academy based on specific bids for individual projects.

Other income comprises various other receipts including school meals. The income is classed as restricted or unrestricted based on the nature of the income.

The pension reserve arises from the actuarial measurement of the Academy's share of the Local Government Pension Scheme deficit. This deficit is recorded as a provision. The actuarial cost of employing staff during the year is initially reflected in the normal running costs of the school in the restricted pension fund. The amount included in resources expended represents the pension cost for the year charged to income and expenditure that arises from actuarial calculations of service cost rather than employer contributions paid. Actuarial gains and losses that arise from changes in assumptions by the actuary or wider influences are shown in the restricted pension fund, the movement this year being a net £164,000 actuarial increase in the net pension fund deficit.

Restricted fixed asset funds represent monies received in respect of and spent on fixed assets. This includes assets inherited on conversion. The total of resources expended within this fund include the depreciation charge for the year. The transfers figure is the amount of other funds used to acquire fixed assets.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	2,149,897	2,149,897	2,052,348
Current assets	46,997	159,518	7,584	214,099	455,422
Creditors due within one year	(5,242)	(84,711)	-	(89,953)	(144,105)
Provisions for liabilities and charges	-	(399,000)	-	(399,000)	(235,000)
	<u>41,755</u>	<u>(324,193)</u>	<u>2,157,481</u>	<u>1,875,043</u>	<u>2,128,665</u>

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

	2016 £	2015 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(104,622)	207,032
Adjustment for:		
Depreciation charges	46,992	44,395
Dividends, interest and rents from investments	(226)	(244)
Decrease/(increase) in debtors	8,865	(6,836)
(Decrease)/increase in creditors	(54,152)	57,125
Capital grants from DfE and other capital income	(7,069)	(220,799)
Defined benefit pension scheme finance cost	15,000	12,000
Net cash (used in)/provided by operating activities	(95,212)	92,673

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	169,094	401,552
Total	169,094	401,552

21. CONTINGENT LIABILITIES

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government grant was received, the Academy is required to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of state sums determined by reference to:

a) the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and

(b) the extent to which the expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

At the year end the academy had a contingent liability of £7,584 in respect of unspent CIF funds received.

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22. CAPITAL COMMITMENTS

At 31 August 2016 the Academy had capital commitments as follows:

	2016 £	2015 £
Contracted for but not provided in these financial statements	-	98,903

23. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £18,495 were payable to the schemes at 31 August 2016 (2015 - £15,923) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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23. PENSION COMMITMENTS (continued)

- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £88,273 (2015 - £72,895).

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

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £82,000 (2015 - £64,000), of which employer's contributions totalled £67,000 (2015 - £52,000) and employees' contributions totalled £15,000 (2015 - £12,000). The agreed contribution rates for future years are 24% for employers and various% for employees.

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

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.00 %	3.70 %
Expected return on scheme assets at 31 August	2.00 %	3.70 %
Rate of increase in salaries	3.60 %	4.00 %
Rate of increase for pensions in payment / inflation	2.10 %	2.60 %

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

	2016	2015
Retiring today		
Males	22.2	22.2
Females	24.4	24.4
Retiring in 20 years		
Males	24.5	24.5
Females	26.8	26.8

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23. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	320,000	213,000
Debt instruments	54,000	37,000
Property	41,000	34,000
	<u>415,000</u>	<u>284,000</u>
Total market value of assets	<u>415,000</u>	<u>284,000</u>

The actual return on scheme assets was £63,000 (2015 - £6,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(73,000)	(56,000)
Net interest cost	(9,000)	(8,000)
Employer contributions	67,000	52,000
	<u>(15,000)</u>	<u>(12,000)</u>
Total	<u>(15,000)</u>	<u>(12,000)</u>
Actual return on scheme assets	<u>63,000</u>	<u>6,000</u>

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

	2016 £	2015 £
Opening defined benefit obligation	519,000	437,000
Current service cost	73,000	56,000
Contributions by employees	15,000	12,000
Actuarial losses	200,000	6,000
Benefits paid	(14,000)	(9,000)
Interest cost	21,000	17,000
	<u>814,000</u>	<u>519,000</u>
Closing defined benefit obligation	<u>814,000</u>	<u>519,000</u>

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23. PENSION COMMITMENTS (continued)

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

	2016 £	2015 £
Opening fair value of scheme assets	284,000	223,000
Interest income	12,000	9,000
Actuarial gains and (losses)	51,000	(3,000)
Contributions by employer	67,000	52,000
Contributions by employees	15,000	12,000
Benefits paid	(14,000)	(9,000)
	<u>415,000</u>	<u>284,000</u>
Closing fair value of scheme assets	<u>415,000</u>	<u>284,000</u>

24. OPERATING LEASE COMMITMENTS

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

	2016 £	2015 £
Amounts payable:		
Within 1 year	5,768	1,432
Between 1 and 5 years	4,787	9,680
	<u>10,555</u>	<u>11,112</u>
Total	<u>10,555</u>	<u>11,112</u>

25. 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.

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26. RELATED PARTY TRANSACTIONS

During the year the Academy purchased services from Mr R G Carter for contract cleaning of £20,100 (2015 £14,154). At the end of the year the balance owing was £1,708 (2015: NIL). Mr R G Carter is the husband of Judy Carter, who was School Business Manager until June 2016.

During the year the Academy received a grant from Mukajee Trust of £5,200 (2015: NIL). Tim Peacock, a Governor of the Academy is a trustee of the trust.

During the year the Academy spent £8,556 on swimming lessons from Jubilee Park (2015: £9,116). At the year end there was a balance owing of £7,633 (2015: NIL). Tim Peacock is a trustee of Jubilee Park.

During the year the Academy purchased goods from Woodhall Spa Parish Council totalling £15 (2015: £12). The governor Mr D Clarke is a member of the council. There was no balance owing at the balance sheet date (2015: £NIL).

Woodhall Wizard's (a nursery on the school site) was transferred to the control of the Academy during the year. £22,798 was transferred from the nursery accounts to the Academy during the year and is accounted for under 'donations and capital grants.'

The remainder of the funds and also the building occupied by the nursery will be transferred to the Academy when legal title passes to the Academy and is expected early in the 2016-17 year.

27. POST BALANCE SHEET EVENTS

The Academy Trust is awaiting receipt of monies held by Woodhall Wizards Childrens Centre for £10,716. These funds will be transferred once legal title passes to St Andrews Church of England Academy which is expected in November 2016. This is also the case for the building occupied by Woodhall Wizards Childrens Centre which has an expected value of £264,000.

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28. FIRST TIME ADOPTION OF FRS 102

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

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

RECONCILIATION OF TOTAL FUNDS	Notes	1 September 2014	31 August 2015
		£	£
Total funds under previous UK GAAP		1,930,633	2,128,665
Total funds reported under FRS 102		<u>1,930,633</u>	<u>2,128,665</u>

Reconciliation of net income	Notes	31 August 2015
		£
Net income previously reported under UK GAAP		212,032
Change in recognition of LGPS interest cost		(5,000)
Net movement in funds reported under FRS 102		<u>207,032</u>

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

Under previous UK GAAP the trust recognised an expected return on defined benefit plan asset in income. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in expense. There has been no change in the defined benefit liability at either 1 September 2014 or 1 August 2015. The effect of the change has been to reduce the credit to income by £5,000 and increase the credit in other recognised gains and losses in the SOFA by an equivalent amount

29. CONTROLLING PARTY

The governors have ultimate control of the Academy.