

**REGISTERED COMPANY NUMBER: 08214798 (England and Wales)**

**Report of the Governors and  
Financial Statements For The Year Ended 31st August 2014  
for  
UPMINSTER ACADEMIES TRUST**

Wilkins Kennedy LLP  
Chartered Accountants  
& Registered Auditors  
1 - 5 Nelson Street  
Southend on Sea  
Essex  
SS1 1EG

TUESDAY



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L12 31/03/2015 #181  
COMPANIES HOUSE

**UPMINSTER ACADEMIES TRUST**

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For The Year Ended 31st August 2014**

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# **UPMINSTER ACADEMIES TRUST**

## **Reference and Administrative Details For The Year Ended 31st August 2014**

### **MEMBERS**

### **GOVERNING BODY**

#### **Upminster Infants School - Local Governing Body**

Mrs L Beck (Headteacher Upminster Infants School)

Mrs C Bannister

Rev K Browning (non-director)

Mr D J Carney (non-director)

Mrs A Cooke

Mr A Crossley

Miss S Edwards (non-director) (resigned 31/08/2014)

Mrs J Gregory (non-director)

Mrs R Holt (non-director)

Mr D Jackson (non-director) (resigned 31/12/2013)

Mrs A Ling (Trust Chair)

Mrs C Mallin (non-director)

Mrs J Mason (non-director)

Mr D Scott

Mrs J Woodgate

Mr D Woodhurst (non-director)

#### **Upminster Junior School - Local Governing Body**

Miss E Field (Headteacher Upminster Junior School to 31/12/2013)

Mr T Woodford (Headteacher Upminster Junior School from 01/01/2014)

Mr D Byrne (non-director) (resigned 31/03/2014)

Mr D Carney (non-director)

Mrs K Clarke (non-director)

Mrs A Cooke

Mr G Crossley

Mrs M Edkins (non-director)

Mrs A Ling (Trust Chair)

Ms V Metz (non-director) (resigned 31/12/2013)

Mrs T Riches

Mr D Scott

Mr J Smith

Mr J Stafford

Mr N Wright

Mrs I Zweistra (non-director)

All Governors are also directors of the Academy Trust unless otherwise stated.

### **COMPANY SECRETARY**

Schofield Sweeney LLP

### **REGISTERED OFFICE**

St Mary's Lane  
Upminster  
Essex  
RM14 3BS

**Reference and Administrative Details  
For The Year Ended 31st August 2014**

**SOLICITORS** Schofield Sweeney LLP  
Church Bank House  
Church Bank  
Bradford  
BD1 4DX

## **UPMINSTER ACADEMIES TRUST**

### **Report of the Governors For The Year Ended 31st August 2014**

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The Trustees present their report together with the financial statements and auditor's report of the charitable company for the period ended 31st August 2014.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Constitution**

The Academy Trust is a company limited by guarantee with no share capital (registration no. 08214798) and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy. The Governors act as the Trustees for the charitable activities of Upminster Academies Trust. The charitable company is known as Upminster Academies Trust. Details of the Directors who served throughout the period, except as noted, are included in the Reference and Administrative Details on page 1.

Upminster Academies Trust was incorporated on 14th September 2012 and is made up of two academies. The Academies kept their original names, Upminster Infant School and Upminster Junior School.

##### **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 period 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. Academy status was obtained and commenced from 1st November 2012.

##### **Principal activities**

The principal activity of the Academy Trust is to advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools and settings offering a broad and balanced curriculum to all children, including those with special educational needs.

##### **Method of recruitment and appointment or election of directors**

The members of the Academy Trust shall comprise the signatories to the Memorandum, one person appointed by the sponsor, one person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose, the Special Academy Directors and any person appointed under Article 16.

The number of Trustees shall be not less than three, but shall not be subject to a maximum. The Academy Trust schools shall have the following Governors; Governors appointed under Article 50; Staff Governors appointed under Article 50A, Academy Governors and Special Academy Governors appointed under Article 51; the Associate Headteacher, Parent Governors if appointed under Article 61, Sponsor Governors if appointed under Article 50B any Additional Governors if appointed under Article 61, 61A or 67A; and any Further Governors if appointed under Article 62 or Article 67A; up to two Governors, if appointed by Secretary of State in accordance with terms of the Relevant Funding Agreement following the provision of a notice by the company to terminate the Relevant Funding Agreement. The Academy may also have any Co-opted Governors appointed under Article 58. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if the number of Governors who are employed by the Academy Trust would thereby exceed one third of the total number of Governors (including the Associate Headteacher).

Each of the persons entitled to appoint members above shall have the right, from time to time by written notice delivered to the Office, to remove any Member appointed by them and to appoint a replacement member to fill a vacancy whether resulting from such removal or otherwise.

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

##### **Policies and procedures adopted for the induction and training of new Governors**

During the period under review the Full Governing Bodies held 3/4 meetings at each school (Infants and Juniors). The training and induction provided for new Governors will depend on their existing experience. All new Governors will be given a tour of the Academy and the chance to meet with staff and students. All relevant Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only two or three new Governors a year, induction tends to be done informally and is tailored specifically to the individual.

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## **UPMINSTER ACADEMIES TRUST**

### **Report of the Governors For The Year Ended 31st August 2014**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Organisational structure**

The structure consists of three management levels: the Strategic Board of Trustees, the Governors and the School Leadership team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

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

The Academy Leadership team consists of the Heads of School. The local Senior Leadership Teams consist of the Headteacher of each School, Deputy Heads of School and senior teachers. These leaders control the Academy at a school level implementing the policies laid down by the Governors and reporting back to the Governors. As a group, the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff where authorised by the Headteachers. Appointments of senior leader posts will require Governors authorisation for existing vacancies and for new posts.

##### **Risk management**

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. The Governors have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement on page 10.

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims (as set out in the governing document)**

Upminster Academies Trust fosters a genuine sense of respect for the individual alongside an appreciation of the culture and beliefs of others within its schools.

The principal object of the Academy is specifically restricted to the following; to advance the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum being Upminster Academies Trust.

## **UPMINSTER ACADEMIES TRUST**

### **Report of the Governors For The Year Ended 31st August 2014**

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#### **OBJECTIVES AND ACTIVITIES**

##### **Strategies and activities**

The main objectives of the Academy during the period ended 31st August 2014 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with industry and commerce; and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Upminster Academies Trust community values diversity and seeks to give everyone in the school an equal chance to learn, work and live, free from the action, or fear, of racism, discrimination, or prejudice. By our actions we will work together to develop the potential of all pupils academically, socially, culturally and psychologically and to establish a community that is just and fair for all people who work at or visit Upminster Academies Trust.

Students will be happy and enthused by the intellectual, social and physical challenges posed by their experience at school. They will be independent learners, aware of how to learn and of the role of emotions and dispositions in the learning process, which they draw on to address challenge and difficulty.

All staff will have the opportunity to develop further as self-directed, reflective learners, through working collaboratively with others to enhance their own expertise. Through their passion, teachers will enthuse and inspire others to explore new ideas.

Parents will fulfil their roles as true partners, recognising their role in the student-school-parent partnership to ensure that their child realises his/her potential.

Governors will contribute to the life of the school on a wider scale, acting as critical friends to support the school in becoming a recognised centre of excellence.

##### **Public benefit**

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the Directors consider how planned activities will contribute to the aims and objectives they have set. Both Academies within the Trust admit pupils from the London Borough of Havering. The Academies admit pupils from neighbouring boroughs with the consent of the Local Authority who manage the Admissions to all Special schools and Academies in the borough.

##### **Equal opportunities policy**

The Trust recognises that equal opportunities should be an integral part of good practice within the workplace. The Academies aim to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

##### **Disabled persons**

The Trust complies fully with the Equality Act 2010 regulations and is equipped to welcome and/or teach any child or adult with a disability where possible. The Governors have adopted an updated Equality policy in light of recommendations related to the 2010 Act.

# UPMINSTER ACADEMIES TRUST

## Report of the Governors For The Year Ended 31st August 2014

### STRATEGIC REPORT

#### Achievement and performance

##### Charitable activities

Pupils across the Upminster Academies Trust make at least good progress with many making outstanding progress. The large majority of pupils are well above age expectations in all key stages.

#### Upminster Infant School

	2014	< L1	L1+	L2C+	L2B+	L2A+	L3+
Reading	School	0%	100%	100%	96%	85%	52%
	National	2%	98%	90%	81%	57%	31%
	Difference	-2%	2%	10%	15%	28%	21%
	Significance	-	-	Sig+	Sig+	Sig+	Sig+
Writing	School	0%	100%	99%	89%	62%	21%
	National	2%	97%	86%	70%	39%	16%
	Difference	-2%	3%	13%	19%	23%	5%
	Significance	-	-	Sig+	Sig+	Sig+	-
Maths	School	0%	100%	99%	93%	81%	48%
	National	1%	98%	92%	80%	53%	24%
	Difference	-1%	2%	7%	13%	28%	24%
	Significance	-	-	Sig+	Sig+	Sig+	Sig+

#### Upminster Junior School

Subject	School Level 4+	National Level 4+	School Level 4B+	National Level 4B+	School Level 5	National Level 5	School Level 6	National Level 6
Reading	97%	89%	84%	78%	57%	49%	-	-
Writing	95%	85%	-	-	30%	33%	-	2%
Grammar, punctuation & spelling	93%	76%	84%	68%	57%	52%	4%	4%
Maths	97%	86%	95%	76%	50%	42%	8%	9%

#### Going concern

The Strategic Board of Trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements



# UPMINSTER ACADEMIES TRUST

## Report of the Governors For The Year Ended 31st August 2014

### STRATEGIC REPORT

#### Achievement and performance

#### Key financial performance indicators

#### Infants school

Main Strategic Theme	Objective KS1	Targets to be Achieved KS1	Objective KS2	Targets to be Achieved KS2
1. Achievement	<p>Improve Pupil's speaking and listening skills by using a wider range of strategies including "No Pens Wednesdays"</p> <p>Improve Maths results by using non-negotiable targets that all pupils know and understand.</p>	<p>Children debate and question more in the classroom as well as in the wider world. Achieve the NACE Challenge Award in 2014.</p> <p>Maths results rise to 90% level 2B and above.</p>	<p>Improve L5 writing results</p> <p>Improve number of outstanding lessons</p>	<p>L5 writing results to rise to 40%</p> <p>Percentage of good or better lessons to be 90+% with 40% to be outstanding.</p>
2. Teaching & Learning	Develop the use of learning walls throughout the school.	Pupils have more involvement in their work through the use of learning walls in every class.	Develop next step marking and feedback and pupil engagement with it	Evidence in books of consistent high quality next step marking and evidence of pupil engagement with this showing impact on improvement in pupils work.
3. Behaviour & Safety	Producing new E-Safety Policy. Training for Staff and Governors	Parents, Governors, Staff and children more able to keep safe	Develop a more thorough programme of e-safety learning for staff, pupils and parents	E-safety training for teachers completed, workshops for parents offered and lessons delivered to pupils.
4. Leadership & Management	Ensure greater support for pupils who require structured approaches to teaching and learning.	Further Speech and Language Training for both teachers and TAs	Further develop the leadership and management of teaching assistants	Performance management of the TAs leading to improved impact on progress and achievement for the pupils that the TAs are working with.
5. Resources & Innovation	Develop problem solving using the NRICH programme.	Teachers assessments show that pupils have improved their skills in problem solving activities.	Develop resources for and teaching of phonics for struggling readers.	New resources purchased to support the teaching of phonics and staff trained in how to use them.

# UPMINSTER ACADEMIES TRUST

## Report of the Governors For The Year Ended 31st August 2014

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### STRATEGIC REPORT

#### Achievement and performance

##### *Key financial performance indicators*

#### Junior school

##### Improvement priorities overview 2014-15

Priority	Rationale	Key outcomes
1. Curriculum Development A vibrant and exciting curriculum that has suitable depth, breadth and relevance and meets new requirements	It is statutory requirement for all schools (with the exception of Academies and Free Schools) to follow the new National Curriculum from September 2014. This is an opportunity to review our current curriculum, improve delivery of content and align to the new curriculum's objectives. Using our past experiences of creating curriculum we can build on our strengths and iron-out the creases. We need to ensure that our curriculum maintains its creativity, whilst improving coherence, consistency and rigour. We can use the curriculum freedoms of the non-core subjects to design and refine a curriculum that suits the needs of the children of Upminster.	One year's cycle of the new curriculum has enabled the school to build a strong foundation on which to build (schemes and policies in place). The school curriculum meets the new requirements but also offers a wide range of experiences that go beyond the National Curriculum.
2. Formative assessment Effective and embedded formative assessment, including the quality of feedback and how this is used to move learning forward	Monitoring of books in 2012-2013 highlighted inconsistencies in the quality of teachers' marking. In June 2013, OFSTED said that, to improve the quality of teaching so that more is outstanding the school should ensure that "pupils receive feedback in teachers' marking which informs them how to improve their work" and "more opportunities should be provided for pupils to respond to teachers' comments in marking of pupils work". We need to ensure that the time teachers spend reviewing; assessing and marking children's learning makes a significant impact on their progress. We need to enable teachers (and children) to provide quality feedback, which is acted upon. Children need time to reflect and engage with their previous learning, so that they can improve and take small but specific steps forward. By making clear the expectations for teachers and children and providing the relevant support and training we can ensure that the formative assessment reaches its potential as one of the most effective strategies to increase rates of progress.	Clear, well-founded policy provides clarity of expectations. Evidence of high quality feedback (in accordance with the policy) seen in pupil books across every year group, including 'substantial' opportunities and time dedicated for pupil response. Planning indicates regular and consistent opportunities for dedicated time for review and reflection of learning.

# UPMINSTER ACADEMIES TRUST

## Report of the Governors For The Year Ended 31st August 2014

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### STRATEGIC REPORT

#### Achievement and performance

##### *Key financial performance indicators*

##### 3. Standards in writing

Higher standards in literacy, and especially in writing

RAISE Online 2013 highlighted that the Value Added for many of the groups of children was significantly below the National mean score of 100.0, including 'All Pupils'. This was also the case in 2014. The percentage of children achieving Level 5 is lower than National value in 2014. Internal data shows that in Lower KS2, the progress for reading and mathematics exceeds the minimum expectation of 3.00 NCP, but writing falls below this mark. We need to ensure that the children in the lower school are well supported and challenged, so that the progress of writing can at least meet this minimum expectation and ensure that the progress at the end of KS2 exceeds that of other schools nationally.

We need to identify areas for development within writing and target professional learning opportunities for all teaching and support staff. The design of the new curriculum will enable the school to consider carefully the approach to writing to ensure that we can achieve the highest possible standards - and maybe even set the bar for others to follow!

40%+ of pupils achieve above average attainment in writing by end of 2015. An increase in number of children achieving better than expected progress, VA and other progress measures when compared to 2013 and 2014. An increase in internal rates of progress is evident from assessment data, especially in lower KS2. Regular opportunities for extended writing demonstrate good progress in pupil books. An increase in internal rates of progress is evident from assessment data, especially in lower KS2. Regular opportunities for extended writing demonstrate good progress in pupil books.

##### 4. Outcomes for SEN Exemplary provision and outcomes for pupils with special educational needs

According to RAISE Online 2013, pupils with all types of SEN are making less progress than children nationally. See Fig 1.2. The Value Added score of pupils on School Action Plus was significantly below the national mean in writing, with score of 97.2. Our internal data shows that in all year groups, pupils with SEN are making less than expected progress, with the exception of Year 6. We need to ensure that children with SEN have the best possible start to their time in the junior school, so that they do not fall behind further, but instead catch up with those children who do not have SEN, and following this, continue to make at least expected progress throughout the rest of KS2.

Pupils with SEN make at least as much progress as children nationally at the end of KS2. Internal assessments indicate an improvement in rates of progress when compared to previous years. Almost all pupils with SEN make at least 3 points progress.

## UPMINSTER ACADEMIES TRUST

### Report of the Governors For The Year Ended 31st August 2014

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#### STRATEGIC REPORT

##### Achievement and performance

##### *Key financial performance indicators*

##### 5. Technology

Leading edge technology to enhance the curriculum, inspire learners and support 'school life'

Our current provision for ICT (Information Computer Technology) can sometimes be more of a hindrance than a tool of inspiration. Technology is becoming more and more mobile, enabling increasing creativity across the curriculum. The introduction of tablet computers and faster processing speeds can ensure that the equipment can be picked up and used in a moment rather than having to sit through prolonged waiting times, whilst current equipment loads up and logs in. Lost curriculum time is an unwanted side effect, which has a negative impact on pupil engagement, enthusiasm and learning. The new Computing curriculum is new to everyone so we will all need support. The world is moving fast in this area. We need to keep up and this also means keeping up with what the children are doing at home. This means that eSafety will be of paramount importance and will play a key role in all aspects of this development area.

Innovative use of technology enhances and inspires learning as is seen on learning walks, in lesson observations and in creative examples of pupil work. Pupil learning indicates that the use of new technology positively impacts on progress in core subjects, and especially on disadvantaged pupils and those with SEN. Staff and pupil anecdotal evidence and feedback indicate positive reactions.

##### 6. Challenges in mathematics

Increased expectations and level of challenge for all pupils in mathematics

KS2 results have been consistent over several years with significantly above national numbers of pupils achieving level 4 and just under 50% achieving level 5. However, we must raise our levels of attainment, especially for our more able pupils and in turn bring up our progress scores. We have strong expertise in mathematics and used effectively this will have a very positive impact on the level of achievement in this subject. Our pupils have the potential to achieve more than they currently are and are in need of more challenge. Providing regular enrichment for the more able will drive up the average attainment by increasing the numbers of pupils who achieve above and well above average results. However, we must raise our expectations for all pupils, at all levels; especially now the bar has been set higher in the new National Curriculum.

Maintain well above national % of pupils achieving level 4 (97%) 50%+ of pupils achieve Level 5, 15% of pupils achieve level 6.

##### 7. Assessment without levels

A system of 'assessment without levels' and effective tracking and moderation systems and processes

Attainment levels as we know will be removed in 2015. Assessment for accountability will be replaced with something new, although we are not sure what this will look like yet. The removal of levels is an opportunity for the school to rethink its assessment processes, including the systems used to track pupil achievement, moderation processes and how we report to parents. It is not clear yet what path we will take but this will form part of many discussions among colleagues and between schools. What is clear is that pupils will be measured against the National Curriculum to see whether they are at the expected level for their age.

Method for assessment agreed and in place ready for September 2015. Staff know how to measure, compare and track pupils outcomes. New data tracking system in place and relevant members of staff are trained.

## UPMINSTER ACADEMIES TRUST

### Report of the Governors For The Year Ended 31st August 2014

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#### STRATEGIC REPORT

##### Achievement and performance

###### *Key financial performance indicators*

###### 8. Disadvantaged pupils

The school receives a Pupil Premium, which is designed to close the gap in achievement between pupils who are disadvantaged with those who are not. It is important that planning for spending is robust so that the money is spent in a way that meets the needs of our pupils. A needs analysis will ensure that we know the pupils well and can target them specifically to maximise effectiveness. It is also important to evaluate the impact of strategies. This all needs to be reported on and displayed on our school website.

Disadvantage pupils achieve as well as other pupils at the end of KS2 and based on internal assessments. Disadvantaged pupils' needs are met and they benefit from experiences and opportunities (e.g. music lessons, extra tuition, school trips)

##### Financial review

###### *Financial report for the year*

Most of the Academy's income is obtained from the Education Funding Agency (EFA) and the Local Authority in the form of recurrent grants, some of which is restricted to particular purposes. The grants received from the EFA during the period ended 31st August 2014 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the EFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period ended 31st August 2014, total expenditure of £2,571k was met by recurrent grant funding from the EFA together with other incoming resources. The excess of expenditure over income for the period (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £138k.

At 31st August 2014 the net book value of fixed assets was £8,699k, movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The London Borough of Havering Pension Fund, in which the Academy participates, showed a deficit of £560k at 31st August 2014. Of this sum, £428k was inherited by Upminster Academies Trust from the London Borough of Havering on 1st November 2012, the date the local authority's staff transferred to employment with the Academy.

## UPMINSTER ACADEMIES TRUST

### Report of the Governors For The Year Ended 31st August 2014

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#### STRATEGIC REPORT

##### Financial review

##### *Reserves policy and financial review*

##### Reserves policy

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors have determined that the appropriate level of free reserves should be equivalent to 10% of income (approx. £270k).

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of free reserves is £520k (total funds less the amount held in restricted fixed assets funds).

##### Investment policy

Under the Memorandum and Articles of Association, the academy has the power to invest funds not immediately required for its own purposes, in any way the Governors see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

##### Financial position

The Academy held fund balances at 31 August 2014 of £8,659k (2013: £8,687k) comprising £8,274k (2013: £8,349K) of restricted funds and £385k (2013: 338K) of unrestricted general funds. Of the restricted funds £8,698k (2013: £8,729k) is represented by tangible fixed assets.

The pension reserve which is considered part of restricted funds was £560k (2013: 435k) in deficit.

##### Principal risks and uncertainties

The principal risks and uncertainties that Upminster Academies Trust faces are mitigated by the risk management process that the academy trust has in place.

##### Financial and risk management objectives and policies

The financial risks to which Upminster Academies Trust is exposed to relates primarily to:

- Change in government and legislation
- Potential of reduced funding and cash flow due to reduction in student numbers

##### Plans for future periods

The Academy will continue striving to improve the levels of performance of its students at all levels and will continue its efforts to ensure its students get jobs or a place in higher education once they leave.

The school knows its strengths and weaknesses based on continual self-assessment. External validation through subject visits or partnerships is well used to formulate developments. The School Strategic Plan is succinct and well-focused on key developmental areas. Subject areas also assess their outcomes and plan developments accordingly.

Subject areas that are underperforming are challenged and supported so that improvements are made. Colleagues that require support to improve their own professional practice are similarly challenged and supported. Interventions for students are thorough, although these are being modified to focus even more clearly of key strategic areas for improvement.

The culture is one of openness and senior staff and teaching staff are clear about the need to collaborate and commit to their own professional development.

Currently the school is investigating possibilities for growth as the local population is expanding rapidly at primary level and is due to impact at secondary level from 2016 onwards.

#### AUDITORS

The auditors, Wilkins Kennedy LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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**UPMINSTER ACADEMIES TRUST**

**Report of the Governors  
For The Year Ended 31st August 2014**

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Report of the governors, incorporating a strategic report, approved by order of the board of governors, as the company directors, on .....27/11/14..... and signed on the board's behalf by:

.....A Ling.....  
Mrs A Ling - Trust Chair

# UPMINSTER ACADEMIES TRUST

## Governance Statement For The Year Ended 31st August 2014

### Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Upminster Academies 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 Strategic Board of Trustees has delegated the day-to-day responsibility to the Headteacher as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Upminster Academies Trust and the Secretary of State for Education. The Headteacher is also responsible for reporting to the Strategic Board of Trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Directors' report and in the Statement of Governors' Responsibilities. The Governing Bodies of the Infant & Junior Schools each met formally 4 times during the year (see below). Attendance during the year at meetings of the Governing Body was as follows:

<b>Governor (Infants)</b>	<b>Meetings Attended</b>	<b>Out of a Possible</b>	<b>Governor (Juniors)</b>	<b>Meetings Attended</b>	<b>Out of a Possible</b>
Mrs L Beck	4	4	Miss E Field	1	4
Mrs C Bannister	2	4	Mr D Byrne	2	4
Rev K Browning	2	4	Mr D Carney	4	4
Mr D J Carney	4	4	Mrs K Clarke	4	4
Mrs A Cooke	4	4	Mrs A Cooke	4	4
Mr A Crossley	3	4	Mr G Crossley	4	4
Miss S Edwards	3	4	Mrs M Edkins	3	4
Mrs J Gregory	3	4	Mrs A Ling	4	4
Mrs R Holt	4	4	Ms V Metz	1	4
Mr D Jackson	2	4	Mrs T Riches	3	4
Mrs A Ling	4	4	Mr D Scott	4	4
Mrs C Mallin	3	4	Mr J Smith	4	4
Mrs J Mason	2	4	Mr J Stafford	4	4
Mr D Scott	4	4	Mr T Woodford	3	4
Mrs J Woodgate	4	4	Mr N Wright	4	4
Mr D Woodhurst	4	4	Mrs I Zweistra	4	4

The Finance and Audit Committee is a sub-committee of the main governing body. Its purpose is to monitor the financial position and internal controls. Attendances at meetings in the year were as follows.

<b>Governor (Infants)</b>	<b>Meetings Attended</b>	<b>Out of a Possible</b>	<b>Governor (Juniors)</b>	<b>Meetings Attended</b>	<b>Out of a Possible</b>
Mrs L Beck	3	3	Miss E Field	1	2
Mr D J Carney	3	3	Mrs C Allen	2	2
Mrs R Holt	3	3	Mr D Byrne	2	2
Mr D Scott	3	3	Mr D Carney	2	2
Mrs J Taylor	3	3	Mr G Crossley	2	2
Mrs J Woodgate	3	3	Mr Bill Linford	1	2
Mr D Woodhurst	3	3	Mr D Scott	2	2
			Mr J Smith	2	2
			Mr T Woodford	2	2



## **UPMINSTER ACADEMIES TRUST**

### **Governance Statement For The Year Ended 31st August 2014**

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#### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of charitable company 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 Upminster Academies Trust for the period 1st September 2013 to 31st August 2014 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period ending 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

#### **The Risk and Control Framework**

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

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

The Governing body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Directors have appointed Helen Evans, as Responsible Officer (RO) for the Infant School. The RO's role includes giving advice on financial matters and performing a range of checks on the academy Trust's financial systems. The RO will be providing on a quarterly basis, the RO reports to the Strategic Board of Directors 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 Executive has responsibility for reviewing the effectiveness of the system of internal control. During the period in question, the review has been informed by:-

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

**UPMINSTER ACADEMIES TRUST**

**Governance Statement  
For The Year Ended 31st August 2014**

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**Review of Effectiveness**

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance 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 board of trustees on 27/11/14 and signed on its behalf by:

A Ling  
Mrs A Ling - Trust Chair

L Beck  
Mrs L Beck - Accounting Officer

**UPMINSTER ACADEMIES TRUST**


**Statement on Regularity, Propriety and Compliance  
For The Year Ended 31st August 2014**

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As accounting officer of Upminster Academies Trust I have considered my responsibility to notify the charitable company board of governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the charitable company and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

  
.....  
Mrs L Beck - Accounting Officer

Date: 27/11/14 .....

## UPMINSTER ACADEMIES TRUST

### Statement of Governors Responsibilities For The Year Ended 31st August 2014

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The governors (who act as trustees of Upminster Academies Trust, some of whom are also directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Governors and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the governors are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

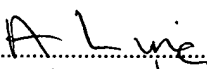
The governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements 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.

In so far as the governors are aware:

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

Approved by order of the board of governors on 27/11/14..... and signed on it's behalf by:

  
.....  
Mrs A Ling - Trust Chair

## **Report of the Independent Auditors to the Members of Upminster Academies Trust**

---

We have audited the financial statements of Upminster Academies Trust for the year ended 31st August 2014 on pages twenty three to forty two. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2013 to 2014 issued by the Education Funding Agency (EFA).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of governors and auditors**

As explained more fully in the Statement of Governors Responsibilities set out on page eighteen, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Governors 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 charitable company's affairs as at 31st August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2013 to 2014 issued by the EFA.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Governors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of  
UPMINSTER ACADEMIES TRUST**

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**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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Governors.



Daniel P Garside (Senior Statutory Auditor)  
for and on behalf of Wilkins Kennedy LLP  
Chartered Accountants  
& Registered Auditors  
1 - 5 Nelson Street  
Southend on Sea  
Essex  
SS1 1EG

Date: ..... 25/11/14

## **Independent Reporting Auditor's Assurance Report on Regularity to Upminster Academies Trust and the Education Funding Agency**

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

This report is made solely to Upminster Academies Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Upminster Academies Trust 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 Upminster Academies Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Upminster Academies Trust's accounting officer and the reporting auditor**

The accounting officer is responsible, under the requirements of Upminster Academies Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1st September 2012, 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 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1st September 2013 to 31st August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matter 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 charitable company's income and expenditure.

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**Independent Reporting Auditor's Assurance Report on Regularity to  
Upminster Academies Trust and the Education Funding Agency**

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**Conclusion**

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



Daniel P Garside (Senior Statutory Auditor)  
for and on behalf of Wilkins Kennedy LLP  
Chartered Accountants  
& Registered Auditors  
1 - 5 Nelson Street  
Southend on Sea  
Essex  
SS1 1EG

Date: 27.1.14 .....



**UPMINSTER ACADEMIES TRUST**

**Statement of Financial Activities  
For The Year Ended 31st August 2014**

					2014	2013
	Notes	Unrestricted fund £'000	Restricted funds £'000	Fixed asset restricted fund £'000	Total funds £'000	Total funds £'000
<b>INCOMING RESOURCES</b>						
<b>Incoming resources from generated funds</b>						
Voluntary income	2	128	-	-	128	46
Voluntary income - Transfer from Local Authority on conversion	22	-	-	-	-	8,645
Activities for generating funds	3	22	64	-	86	88
<b>Incoming resources from charitable activities</b>						
Academy's educational operations	4	-	2,484	-	2,484	2,089
<b>Total incoming resources</b>		150	2,548	-	2,698	10,868
<b>RESOURCES EXPENDED</b>						
<b>Charitable activities</b>						
Academy's educational operations		103	2,459	31	2,593	2,166
<b>Governance costs</b>	7	-	8	-	8	8
<b>Total resources expended</b>	5	103	2,467	31	2,601	2,174
<b>NET INCOMING RESOURCES</b>						
		47	81	(31)	97	8,694
<b>Other recognised gains/losses</b>						
Gains/(losses) on defined benefit pension schemes		-	(125)	-	(125)	(7)
<b>Net movement in funds</b>		47	(44)	(31)	(28)	8,687
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		338	(380)	8,729	8,687	-
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>385</u>	<u>(424)</u>	<u>8,698</u>	<u>8,659</u>	<u>8,687</u>

All of the Upminster Academies Trust's activities derive from acquisitions in the current year.

The notes form part of these financial statements

**UPMINSTER ACADEMIES TRUST**

**Balance Sheet  
At 31st August 2014**

	Notes	<b>2014 £'000</b>	<b>2013 £'000</b>
<b>FIXED ASSETS</b>			
Tangible assets	11	8,698	8,729
<b>CURRENT ASSETS</b>			
Debtors	12	28	36
Cash at bank		<u>629</u>	<u>463</u>
		657	499
<b>CREDITORS</b>			
Amounts falling due within one year	13	(136)	(106)
<b>NET CURRENT ASSETS</b>		<u>521</u>	<u>393</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		9,219	9,122
<b>PENSION LIABILITY</b>	18	(560)	(435)
<b>NET ASSETS</b>		<u>8,659</u>	<u>8,687</u>
<b>FUNDS</b>	17		
Unrestricted funds:			
General fund		385	338
Restricted funds:			
Restricted funds		136	55
Fixed asset restricted fund		8,698	8,729
Pension fund		<u>(560)</u>	<u>(435)</u>
		<u>8,274</u>	<u>8,349</u>
<b>TOTAL FUNDS</b>		<u>8,659</u>	<u>8,687</u>

The notes form part of these financial statements

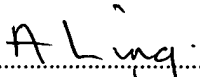
**UPMINSTER ACADEMIES TRUST**

**Balance Sheet - continued  
At 31st August 2014**

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These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Governors on .....27/11/14..... and were signed on its behalf by:

  
.....  
Mrs A Ling -Trust Chair

  
.....  
Mrs L Beck -Headteacher Upminster Infants School

The notes form part of these financial statements

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**UPMINSTER ACADEMIES TRUST**

**Cash Flow Statement  
For The Year Ended 31st August 2014**

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		<b>2014</b>	2013
	Notes	<b>£'000</b>	£'000
<b>Net cash inflow from operating activities</b>	1	159	463
<b>Capital expenditure and financial investment</b>	2	7	-
		<hr/>	<hr/>
<b>Increase in cash in the period</b>		<u>166</u>	<u>463</u>

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**Reconciliation of net cash flow to movement in net funds**

	3		
<b>Increase in cash in the period</b>		<u>166</u>	<u>463</u>
<b>Change in net funds resulting from cash flows</b>		<u>166</u>	<u>463</u>
<b>Movement in net funds in the period</b>		166	463
<b>Net funds at 1st September</b>		<u>463</u>	<u>-</u>
<b>Net funds at 31st August</b>		<u>629</u>	<u>463</u>

All of the cash flows are derived from acquisitions in the current year.

The notes form part of these financial statements

**UPMINSTER ACADEMIES TRUST**

**Notes to the Cash Flow Statement  
For The Year Ended 31st August 2014**

**1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Net incoming resources	97	8,694
Depreciation charges	31	31
Capital grants from DfE/EFA	(7)	-
Transfer from Local Authority on conversion	-	(8,760)
LGPS liability from predecessor school	-	428
Decrease/(increase) in debtors	8	(36)
Increase in creditors	<u>30</u>	<u>106</u>
<b>Net cash inflow from operating activities</b>	<u><u>159</u></u>	<u><u>463</u></u>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
<b>Capital expenditure and financial investment</b>		
Capital grants from DfE/EFA	<u>7</u>	<u>-</u>
<b>Net cash inflow for capital expenditure and financial investment</b>	<u><u>7</u></u>	<u><u>-</u></u>

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	<b>At 1/9/13</b>	<b>Cash flow</b>	<b>At 31/8/14</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Net cash:			
Cash at bank	463	166	629
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total</b>	<u><u>463</u></u>	<u><u>166</u></u>	<u><u>629</u></u>

## **UPMINSTER ACADEMIES TRUST**

### **Notes to the Financial Statements For The Year Ended 31st August 2014**

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#### **1. ACCOUNTING POLICIES**

##### **Accounting convention**

The financial statements have been prepared under the historical cost convention, the Companies Act 2006, the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities and the Academies Accounts Direction 2013 to 2014 issued by the EFA.

##### **Going concern**

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

##### **Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

##### **Grants receivable**

Grants, where conditions have been met to establish entitlement, are included in the statement of financial activities on a receivable basis. Where grants are received but conditions establishing entitlement have not been met, these are deferred. The balance of income receivable for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet.

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

##### **Donations**

Donations are included in the statement of financial activities on a cash received basis or on an accruals basis where they are assured with reasonable certainty and are receivable at the balance sheet date.

##### **Other Income**

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

##### **Donated services and gifts in kind**

The value of donated services and gifts in kind provided to the Academy is recognised in the statement of financial activities as incoming resources and resources expended at their estimated value to the Academy in the period in which they are receivable, and where the benefit is both quantifiable and material.

Where it has been ascertained that the risks and rewards of property subject to long lease agreements lie substantially with the Academy, a reasonable estimate of the gross value is included within fixed assets and, with an appropriate credit to voluntary income (gift in kind), within the restricted fixed asset fund. The valuation is at an estimation of depreciated replacement cost on the basis that the assets represent specialised property and the open market value for existing use is not readily available.

##### **Interest receivable**

Interest receivable is included within the statement of financial activities on a receivable basis.

## UPMINSTER ACADEMIES TRUST

### Notes to the Financial Statements - continued For The Year Ended 31st August 2014

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#### 1. ACCOUNTING POLICIES - continued

##### **Resources expended**

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

All resources expended are inclusive of irrecoverable VAT.

##### **Allocation of costs**

In accordance with the Charities SORP, expenditure has been analysed between the cost of generating funds, the Academy's charitable activities and governance. Items of expenditure which involve more than one cost category have been apportioned on a reasonable, justifiable and consistent basis for the cost category concerned. Central staff costs and depreciation are directly attributable to the one principal activity of the Academy.

##### **Governance Costs**

Governance costs include the costs attributable to the Academy's compliance and constitutional and statutory requirements, including audit, strategic management and Governors' meetings and reimbursed expenses. Such costs include both direct and allocated support costs.

##### **Tangible fixed assets**

Tangible fixed assets acquired since the Academy was established are included in the accounts at cost. Assets costing less than £5,000 are written off in the period of acquisition. All other assets 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. The related grants are credited to a restricted fixed asset fund (in the Statement of Financial Activities and carried forward in the balance sheet). The depreciation on such assets is charged to the restricted fund in the Statement of Financial Activities.

##### **Depreciation**

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The principal annual rates used for other assets are:

Buildings.	2% straight line
------------	------------------

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

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

##### **Taxation**

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

## UPMINSTER ACADEMIES TRUST

### Notes to the Financial Statements - continued For The Year Ended 31st August 2014

---

#### 1. ACCOUNTING POLICIES - continued

##### **Fund accounting**

General funds represent those resources which may be used towards meeting any of the objects of the Academy at the discretion of the Governors.

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

Restricted funds comprise all other restricted funds received and include grants from the EFA and DfE.

##### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

##### **Pensions**

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

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

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

##### **Leased Assets**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the lease term.



**UPMINSTER ACADEMIES TRUST**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2014**

**2. VOLUNTARY INCOME**

	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>2014 Total funds £'000</b>	<b>2013 Total funds £'000</b>
Donations	75	-	75	17
Trips	53	-	53	29
	<u>128</u>	<u>-</u>	<u>128</u>	<u>46</u>

**3. ACTIVITIES FOR GENERATING FUNDS**

	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>2014 Total funds £'000</b>	<b>2013 Total funds £'000</b>
Hire of facilities	1	63	64	69
Catering income	8	-	8	7
Other Income	13	-	13	11
Other non-trading income	-	1	1	1
	<u>22</u>	<u>64</u>	<u>86</u>	<u>88</u>

**4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS**

	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>2014 Total funds £'000</b>	<b>2013 Total funds £'000</b>
<b>DfE/EFA revenue grant</b>				
General Annual Grant(GAG)	-	2,446	2,446	2,010
Start up grants	-	-	-	24
Other DfE/EFA Grants	-	31	31	42
	-	2,477	2,477	2,076
<b>DfE/EFA capital grant</b>				
Devolved formula capital allocations	-	7	7	13
	<u>-</u>	<u>2,484</u>	<u>2,484</u>	<u>2,089</u>

**UPMINSTER ACADEMIES TRUST**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2014**

**5. RESOURCES EXPENDED**

				<b>2014</b>	<b>2013</b>
	<b>Staff costs</b>	<b>Non-pay expenditure</b>			
	<b>£'000</b>	<b>Premises</b>	<b>Other costs</b>	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Charitable activities</b>					
<b>Academies educational operations</b>					
Direct costs	1,790	31	101	1,922	1,619
Allocated support costs	<u>287</u>	<u>121</u>	<u>263</u>	<u>671</u>	<u>547</u>
	2,077	152	364	2,593	2,166
 Governance costs including allocated support costs	 <u>-</u>	 <u>-</u>	 <u>8</u>	 <u>8</u>	 <u>8</u>
	<u>2,077</u>	<u>152</u>	<u>372</u>	<u>2,601</u>	<u>2,174</u>

Net resources are stated after charging/(crediting):

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Depreciation - owned assets	<u>31</u>	<u>31</u>

**6. RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>2014 Total funds</b>	<b>2013 Total funds</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Direct costs - academy's educational operations</b>				
Teaching and educational support staff	-	1,790	1,790	1,467
Depreciation	-	31	31	31
Educational supplies	18	65	83	66
Examination fees	-	6	6	14
Other direct costs	<u>-</u>	<u>12</u>	<u>12</u>	<u>41</u>
	18	1,904	1,922	1,619
 <b>Allocated support costs - academy's educational operations</b>				
Support staff costs	-	287	287	242
Maintenance of premises and equipment	-	45	45	62
Cleaning	-	42	42	36
Rent and rates	-	11	11	21
Energy costs	-	23	23	24
Insurance	-	9	9	12
Security and transport	-	5	5	5
Catering	6	4	10	6
Other support costs	<u>79</u>	<u>160</u>	<u>239</u>	<u>139</u>
	85	586	671	547

**UPMINSTER ACADEMIES TRUST**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2014**

**6. RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES - continued**

	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>2014 Total funds £'000</b>	<b>2013 Total funds £'000</b>
	<u>103</u>	<u>2,490</u>	<u>2,593</u>	<u>2,166</u>

**7. GOVERNANCE COSTS**

	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>2014 Total funds £'000</b>	<b>2013 Total funds £'000</b>
Accountancy	<u>-</u>	<u>8</u>	<u>8</u>	<u>8</u>

**8. GOVERNORS' REMUNERATION AND BENEFITS**

Headteacher and staff Governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the Academy in respect of their role as Governors. The five Director/Governors who received remuneration are:

<b>NAME</b>	<b>AMOUNT</b>
Mrs Lin Beck (head Infant school)	£65k - £70k
Mr T Woodford (head Junior school)	£55k - 60K
Ms E Field (head of junior school - resigned December 2013)	£15k - £20k
Miss S Edwards, Mrs J Mason, Mrs I Zweistra, Mrs T Riches, Mrs A Cooke (aggregate)	£177,940

The other staff Director/Governors listed above only received remuneration for their role as a member of staff and the salaries have been aggregated as the Governors believe any further detailed breakdown would be prejudicial to the structure of the Governing Board.

**Governors' expenses**

During the period ended 31 August 2014, expenses totalling £nil (2013: £nil) were reimbursed to a Governors.

See note 20 for details of related party transactions which took place in the period.

**UPMINSTER ACADEMIES TRUST**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2014**

**9. STAFF COSTS**

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	1,697	1,383
Social security costs	117	98
Other pension costs	<u>250</u>	<u>220</u>
	2,064	1,701
Supply teacher costs	<u>13</u>	<u>8</u>
	<u><u>2,077</u></u>	<u><u>1,709</u></u>

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

	<b>2014</b>	<b>2013</b>
Teachers	29	28
Administration and support	<u>26</u>	<u>27</u>
	<u><u>55</u></u>	<u><u>55</u></u>

The number of employees whose emoluments fell within the following bands was:

	<b>2014</b>	<b>2013</b>
£60,001 - £70,000	<u><u>2</u></u>	<u><u>3</u></u>

The employees above participated in the Teachers Pension Scheme. During the period to 31 August 2014, pension contributions for these members of staff amounted to £9,590 (2013:£16,851).

**10. GOVERNORS' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £500k on any one claim and the cost for the year ended 31st August 2014 was £894 (2013:£880).

**UPMINSTER ACADEMIES TRUST**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2014**

**11. TANGIBLE FIXED ASSETS**

	<b>Freehold property £'000</b>
<b>COST</b>	
At 1st September 2013 and 31st August 2014	<u>8,760</u>
<b>DEPRECIATION</b>	
At 1st September 2013	31
Charge for year	<u>31</u>
At 31st August 2014	<u>62</u>
<b>NET BOOK VALUE</b>	
At 31st August 2014	<u>8,698</u>
At 31st August 2013	<u>8,729</u>

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2014 £'000</b>	<b>2013 £'000</b>
Other debtors	-	8
Prepayments	<u>28</u>	<u>28</u>
	<u>28</u>	<u>36</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2014 £'000</b>	<b>2013 £'000</b>
Accruals and deferred income	<u>136</u>	<u>106</u>
<b>Deferred income</b>		
	<b>2014 £'000</b>	<b>2013 £'000</b>
Deferred income as at 1st September 2013	-	-
Resources deferred in year	59	-
Amounts released from previous years	<u>-</u>	<u>-</u>
Deferred income as at 31st August 2014	<u>59</u>	<u>-</u>

At the balance sheet date the Multi-Academy Trust was holding funds received in advance for school meal income.

**UPMINSTER ACADEMIES TRUST**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2014**

**14. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

	<b>Other operating leases</b>	
	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Expiring:		
Within one year	1	-
Between one and five years	<u>3</u>	<u>-</u>
	<u><u>4</u></u>	<u><u>-</u></u>

**15. 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.

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

			<b>2014</b>		<b>2013</b>	
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Fixed asset</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>
	<b>fund</b>	<b>funds</b>	<b>restricted</b>	<b>funds</b>	<b>funds</b>	<b>funds</b>
	<b>£'000</b>	<b>£'000</b>	<b>fund</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fixed assets	-	-	8,698	8,698	8,729	8,729
Current assets	385	272	-	657	499	499
Current liabilities	-	(136)	-	(136)	(106)	(106)
Pension liability	<u>-</u>	<u>(560)</u>	<u>-</u>	<u>(560)</u>	<u>(435)</u>	<u>(435)</u>
	<u><u>385</u></u>	<u><u>(424)</u></u>	<u><u>8,698</u></u>	<u><u>8,659</u></u>	<u><u>8,687</u></u>	<u><u>8,687</u></u>

**17. MOVEMENT IN FUNDS**

	<b>Net</b>		<b>movement in</b>	
	<b>At 1/9/13</b>	<b>£'000</b>	<b>At 31/8/14</b>	<b>£'000</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Unrestricted funds</b>				
General fund	338	47	385	
<b>Restricted funds</b>				
Restricted funds	55	81	136	
Fixed asset restricted fund	8,729	(31)	8,698	
Pension fund	<u>(435)</u>	<u>(125)</u>	<u>(560)</u>	
	<u>8,349</u>	<u>(75)</u>	<u>8,274</u>	
<b>TOTAL FUNDS</b>	<u><u>8,687</u></u>	<u><u>(28)</u></u>	<u><u>8,659</u></u>	

**UPMINSTER ACADEMIES TRUST**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2014**

**17. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	<b>Incoming resources £'000</b>	<b>Resources expended £'000</b>	<b>Gains and losses £'000</b>	<b>Movement in funds £'000</b>
<b>Unrestricted funds</b>				
General fund	150	(103)	-	47
<b>Restricted funds</b>				
Restricted funds	2,548	(2,467)	-	81
Fixed asset restricted fund	-	(31)	-	(31)
Pension fund	-	-	(125)	(125)
	2,548	(2,498)	(125)	(75)
<b>TOTAL FUNDS</b>	<u>2,698</u>	<u>(2,601)</u>	<u>(125)</u>	<u>(28)</u>

**18. PENSION COMMITMENTS**

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS 31 March 2013.

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

## **UPMINSTER ACADEMIES TRUST**

### **Notes to the Financial Statements - continued For The Year Ended 31st August 2014**

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#### **18. PENSION COMMITMENTS - continued**

##### **Teachers' pension scheme**

##### **Introduction**

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

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

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

##### **Valuation of the Teachers' Pension Scheme**

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

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

##### **Teachers' Pension Scheme Changes**

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

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

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



**UPMINSTER ACADEMIES TRUST**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2014**

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**18. PENSION COMMITMENTS - continued**

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

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

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

# UPMINSTER ACADEMIES TRUST

## Notes to the Financial Statements - continued For The Year Ended 31st August 2014

### 18. PENSION COMMITMENTS - continued

#### Local government pension scheme

#### London Borough of Havering Pension Fund

The Academy is one of several employing bodies included within the London Borough of Havering Pension Fund.

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £128k, of which employer's contributions totalled £103k and employees' contributions totalled £25k.

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.

The major assumptions used by the actuary were:

	At 31 August 2014	At 31 August 2013
Rate of increase in salaries	3.4%	4.6%
Rate of increase for pensions in payment/inflation	2.6%	2.8%
Discount rate for scheme liabilities	3.7%	4.6%
Expected Return on Assets	5.4%	6.0%

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

	At 31 August 2014	At 31 August 2013
<b>Retiring in 20 periods</b>		
Males	24.2	23.8
Females	26.7	26.5
<b>Retiring today</b>		
Males	22.1	21.9
Females	24.1	24.6

The Academy's share of the assets and liabilities in the scheme and the expected rate of return were:-

	Long-term rate of return expected at 31 Aug 2014	Value at 31 August 2014 £'000s	Long-term rate of return expected at 31 August 2013	Value at 31 August 2013 £'000s
Equities	6.5%	523	6.6%	452
Gilts				
Other Bonds	3.3%	89	4.0%	130
Property	4.5%	94	4.7%	31
Cash	3.3%	23	3.6%	6
Alternative assets				
<b>Total fair value of assets</b>	5.3%	842	5.8%	619
Present value of scheme liabilities		<u>(1,402)</u>		<u>(1,054)</u>
<b>Net pension liability</b>		<u>(560)</u>		<u>(435)</u>

The return on the fund (on a bid value to bid value basis) for the period to 31 August 2014 is estimated to be 10.2%. This is based on the estimated fund value used at the previous accounting date and the estimated fund value used at this accounting date. The actual return on Scheme assets was £71k (2013: £66k).

**UPMINSTER ACADEMIES TRUST**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2014**

**18. PENSION COMMITMENTS - continued**

**Local government pension scheme**

Changes to the present value of the Scheme liabilities during the period:

	2014 £000s	2013 £000s
Value of Scheme liabilities at 1 September 2013	1,054	862
Current service cost	104	78
Interest cost	51	32
Contributions by Scheme participants	25	21
Actuarial loss / (gain) on Scheme liabilities	175	61
Estimated benefits paid (net of transfers in)	(7)	
Liabilities assumed / (extinguished) on settlements		
<b>Value of Scheme liabilities at 31 August 2014</b>	<b><u>1,402</u></b>	<b><u>1,054</u></b>

	2014 £000s	2013 £000s
Fair value Scheme assets at 1 September 2013	619	434
Settlement prices received / (paid)		-
Expected return on Scheme assets	41	21
Actuarial gain/(loss) on Scheme assets	61	46
Contributions by the employer	103	97
Contributions by Scheme participants	25	21
Estimated benefits paid (net of transfers in)	(7)	
<b>Fair value of Scheme assets at 31 August 2014</b>	<b><u>842</u></b>	<b><u>619</u></b>

The amounts recognised in net incoming resources are as follows:

	2014 £000s	2013 £000s
Current service cost	104	78
Past service cost	-	-
Interest cost	51	32
Expected return on Scheme assets	(25)	(21)
<b>Expense recognised in net incoming resources</b>	<b><u>130</u></b>	<b><u>89</u></b>

Reconciliation of opening and closing balances of the net pension asset

	2014 £000s	2013 £000s
Deficit at 1 September 2013	(435)	(428)
Change in Asset valuation		21
Service cost	(104)	(78)
Employer contributions	103	97
Interest cost	(51)	(32)
Settlements and curtailments		
Actuarial gain/(loss)	(114)	(15)
<b>Deficit at 31 August 2014</b>	<b><u>(560)</u></b>	<b><u>(435)</u></b>

Amounts for the current and previous periods:

	2014 £000s	2013 £000s
Defined Benefit Obligation	(1,402)	(1,054)
Scheme assets	842	619
Net liability	(560)	(435)
Experience adjustments on scheme liabilities	(80)	-
Experience adjustments on Scheme assets	61	46

## UPMINSTER ACADEMIES TRUST

### Notes to the Financial Statements - continued For The Year Ended 31st August 2014

#### 19. 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 capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Children, Schools and Families 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:

- the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

As no such events have occurred during the year nor are likely to occur in the foreseeable future, the accounts do not contain any provision against contingent liabilities.

#### 20. RELATED PARTY DISCLOSURES

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

There are no related party transactions requiring disclosure with these accounts.

#### 21. CENTRAL SERVICES

No central services were provided by the Trust to its academies during the period and no central charges arose.

#### 22. CONVERSION TO AN ACADEMY

	Unrestricted funds £'000	Restricted General funds £'000	2014 Total £'000	2013Total £'000
Tangible fixed assets - freehold land and buildings	-	-	-	8,760
Budget surplus on LA funds	-	-	-	313
LGPS pension deficit	-	-	-	(428)
Net assets	-	-	-	8,645