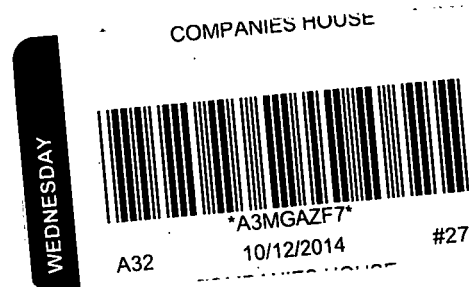

Rendell Primary School
(A Company Limited by Guarantee)

Rendell Primary School
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2014



Company Registration Number:
08219443 (England and Wales)

4 Henley Way
Doddington Road
Lincoln
LN6 3QR
T 01522 507000
E info@lincoln.duntop.co.uk

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

Duncan & Toplis is the trading name of Duncan & Toplis Limited, registered in England and Wales, company number 04544710.

Registered Office: 3 Castlegate, Grantham, Lincolnshire, NG31 6SF.

Registered to carry on audit work in the UK and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales.

A list of the directors of Duncan & Toplis Limited is available on our website and at all offices.

**Rendell Primary School
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mrs M Bezzano-Griffiths (Chair/Member) Mr R Bray (Vice Chair/Member) Mrs J Bramley (Lead Finance/Member) (resigned 11.07.14)
Trustees	Mrs K Rixon Mrs C Poxon Mrs P Jurkowski Mrs R Begum Mr P Robinson-Kerry Mr J Hale Mrs C Kemnic Mr P Conway Mr J Miah (resigned 01.01.14) Mrs S Hallam (resigned 01.01.14) Mr I Marjoram (resigned 25.04.14) Mrs T McLean (resigned 15.08.14) Mrs C Bezzano (resigned 28.08.14)
Company Secretary	Mrs P Horne (resigned 22.08.14) Mr D Rushton (appointed 15.08.14)
Accounting Officer	Mrs K Rixon (Head Teacher)
School Business Manager	Mrs P Horne (resigned 31.08.14) David Rushton (appointed 15.08.14)
Clerk to Governors	Mrs T McLean
Senior Leadership Team	
Head Teacher	Mrs K Rixon
Deputy Head Teacher Teaching & Learning	Mrs P Jurkowski
Deputy Head Teacher Inclusion	Mrs L Lovell
Registered Office	Rendell Primary School Rendell Street Leicestershire LE11 1LL
Company Registration Number	08219443

Rendell Primary School
(A Company Limited by Guarantee)

Independent Auditor

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

Bankers

NatWest Bank
Market Place
Loughborough
Leicestershire
LE11 3NZ

Solicitors

Legal Department
Leicestershire County Council
County Hall
Glenfield
Leicestershire
LE3 8RB

**Rendell Primary School
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TRUSTEES' REPORT

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year 1st September 2013 to the year end 31 August 2014. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 4 to 11 serving a catchment area in Loughborough. It has a pupil capacity of 315 and had a roll of 298 in the school census on 2 October 2014.

Structure, Governance and Management

Constitution

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

The Trustees of Rendell Primary School and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Rendell Primary School.

The Articles of Association require the Trustees of the Charitable Company to appoint at least three Trustees to be responsible for the statutory and constitutional affairs of the Charitable Company and the management of the Academy.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance indemnity to protect Trustees' and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £3 million pounds on any one claim.

Method of Recruitment and Appointment or Election of Trustees

The Articles outline the different types of Trustee; there are a range of election processes as outlined below:

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The term of office for any Trustee shall be four years, save that this time limit shall not apply to the Head Teacher or any post which is ex officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

There shall be a maximum of four Parent Trustees and a minimum of three elected by parents of registered pupils at the Academy. A Parent Trustee must be a parent of a pupil at the Academy at the time of election. The term of office will cease when the pupil is no longer registered at the Academy.

There shall be three Staff Trustees who are elected by a ballot of all staff employed under a contract of employment or a contract for services or otherwise engaged to provide services to the Academy (excluding the Head Teacher). If a Staff Trustee ceases to work at the Academy then he shall be deemed to have resigned and shall cease to be a Trustee automatically on termination of his work at the Academy. Any election of a Staff Trustee which is contested shall be held by secret ballot.

There shall be seven nominated Community Trustees. The members shall appoint four and the Board of Trustees shall appoint three.

The Board of Trustees can appoint an additional three co-opted Trustees as appropriate. A 'co-opted Trustee' means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed. The Trustees may not co-opt an employee of the Academy Trust as a co-opted Trustee if thereby the number of Trustees who are employees of the Academy Trust would exceed one third of the total number of Trustees (including the Head Teacher).

Trustees are subject to retirement or re-election at the end of their 4 year term of office unless the eligibility conditions listed prevail.

Policies and Procedures Adopted for the Induction and Training of Trustees.

The training and induction provided for new Trustees will depend on their existing experience. Where necessary, induction will provide training on charity, educational, legal and financial matters. All new Trustees are given a tour of the Academy and the chance to meet pupils and staff.

The Academy expects that all Trustees are willing to undertake training to improve their knowledge and understanding of all matters relating to Governance of the Academy. The Academy has a link Trustee who co-ordinates the training, advertising relevant training sessions and keeping records of what training has been attended and what is required. The Academy has signed up to the Local Authority Trustee Training and development programme. We are also a member of the Primary Development group which offers training sessions in the local area.

All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their roles as Trustees.

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Induction takes place as required on joining the Board of Trustees and tailored specifically to the individual.

Organisational Structure

The structure of the Academy consists of two senior levels: the Board of Directors (Board of Trustees) and the Head Teacher leading the Senior Leadership Team (SLT) which includes Deputy Head Teachers and the School Business Manager.

An aim of this management structure is to distribute responsibility and accountability and to encourage involvement in decision making at all levels so that the Academy nurtures the talents of its entire staff to support continual improvement and excellence.

The Board of Directors is responsible for setting the Academy's policies, adopting the Academy Improvement Plan and budget, monitoring performance against these plans and making major decisions about the direction of the Academy including its curriculum, the achievement and welfare of students and staffing.

The Head Teacher and SLT control the Academy at an executive level, implementing the policies set by the Board of Directors and reporting back to them.

The Board of Trustees review the delegation of functions annually. The Board of Trustees will remain accountable for any decision taken, including those relating to functions delegated to a committee or individual.

The Board of Trustees receives reports / minutes from any individual or committee to whom decisions have been delegated and considers whether further action is necessary.

Quoracy decisions may only be made if a meeting is quorate. The quorum for the full Board of Trustees meetings is nine.

The Board of Trustees have delegated some of its statutory functions to committees and the Head Teacher, subject to prescribed restrictions below.

Functions that can be delegated to a committee but cannot be delegated to an individual include those that relate to:

- The alteration, discontinuation or change of category of maintained A.
- The approval of the first formal budget plan of the financial year.
- Academy discipline policies.
- The exclusion of pupils.
- Admissions.

The Board of Trustees cannot delegate any function in relation to:

- The constitution of the Board of Trustees (unless otherwise provided by the Constitution Regulations).
- Appointment or removal of the chair or vice-chair.

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- The appointment of the clerk.
- The suspension of the Trustees.
- The delegation of functions.
- The establishment of committees.

Below is the table of delegated tasks at Rendell Primary School

Key Function	No	Task	Full Board of Trustees	Committee of the Board of Trustees	The Head Teacher
Budgets	1	Approve budget plan for financial year	✓		
	2	Monitor monthly expenditure			✓
	3	Establish charging and remissions policy	✓		
	4	Agree financial & procurement policies	✓		
	5	Enter into purchases or contracts (up to £5000)			✓
	6	Enter into contracts (between £10,000 and OJEU threshold)	✓		
	7	Enter into contracts (over OJEU threshold)	✓		
Staffing	8	Principal appointment	✓		
	9	Vice Principal appointments	✓		
	10	Teaching staff appointments			✓
	11	Non-teaching staff appointments			✓
	12	Pay policy (including discretions)	✓		
	13	Establish disciplinary / capability procedures			✓
	14	Dismissal of Principal	✓		
	15	Dismissal of other staff			✓
	16	Suspension of Principal		✓	
	17	Suspension of other staff			✓
	18	Ending suspension of Principal		✓	
	19	Ending suspension of other staff		✓	
	20	Determining staffing requirements			✓
	21	Dismissal payments / early retirement		✓	
Curriculum	22	Establish and implement Curriculum Policy			✓
	23	Approval of Curriculum Policy			✓

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Key Function	No	Task	Full Board of Trustees	Committee of the Board of Trustees	The Head Teacher
	24	Responsibility for standards of teaching			✓
	25	Decide which subject options will be taught, including activities outside the school day			✓
	26	Responsibility for individual child's education			✓
	27	Provision of sex education – includes establishing and maintaining an up to date policy			✓
	28	To prohibit political indoctrination and ensuring a balanced treatment of political issues			✓
	29	Establish a charging and remissions policy			✓
Performance Management	30	Establish performance management policy and review annually		✓	
	31	Implement performance management policy			✓
Target Setting	32	Set and publish targets for student achievement			✓
Discipline / Exclusions	33	Establish discipline policy	✓		
	34	Review use of exclusion and decide whether or not to confirm permanent and fixed term exclusions where the student is either excluded for more than 15 days in total in a term or would lose the opportunity to sit a public examination		✓	
	35	Direct reinstatement of excluded students		✓	
Admissions	36	Consult annually before setting an Admissions Policy	✓		
	37	Admissions: application decisions.		✓	
Collective Worship	38	Arrangements for collective worship			✓
Premises & Insurance	39	Buildings insurance and personal liability			✓
	40	Develop Academy buildings strategy	✓		

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Key Function	No	Task	Full Board of Trustees	Committee of the Board of Trustees	The Head Teacher
	41	Procure and maintain buildings, including properly funded maintenance plan	✓		
Health & Safety	42	Institute a Health & Safety Policy	✓		
	43	Ensure that health & safety regulations are followed			✓
Academy Organisation	44	Set times of Academy day and dates of Academy terms and holidays			✓
	45	Ensure that Academy meets 380 sessions in a school year			✓
	46	Ensure that Academy lunch nutritional standards are met			✓
Information for parents	47	Prepare and publish the Academy prospectus			✓
	48	Ensure provision of free school meals to those students meeting the criteria			✓
	49	Adopt and review home school agreements			✓
GB Procedures	50	Appoint (and remove) the chair and vice chair of GB	✓		
	51	Appoint (and dismiss) the clerk to the Trustees	✓		
	52	Hold a full Board of Trustees meeting at least 3 times in an Academy year	✓		
	53	Appoint (and remove) community or co-opted Trustees	✓		
	54	Set up Register of Trustees' Business Interests	✓		
	55	Approve and set up Trustees Expenses Scheme	✓		
	56	Discharge duties in respect of students with special needs by appointing a "responsible person"	✓		
	57	Consider whether or not to delegate functions to individuals or committees	✓		
	58	Regulate the Board of Trustee procedures	✓		

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Key Function	No	Task	Full Board of Trustees	Committee of the Board of Trustees	The Head Teacher
Federations	59	Consider forming a federation or joining and existing federation	✓		
	60	Leave a federation	✓		
Extended Schools	61	Decide to offer additional activities and what form these should take	✓		
	62	Put in place and ensure delivery of services to be provided			✓
	63	Cease providing extended school provision	✓		

Trustees' Committees and Working Parties

The Board of Trustees meets at least six times a year to discharge its legal responsibilities. It no longer has sub committees for finance, health & safety or curriculum and welfare. All the work is done at full committee level and where deemed appropriate working groups are set up and given delegated authority as required to carry out their duties. The Committees that are established have clear terms of reference; committee members are encouraged to provide high levels of challenge. Systems are in place for sharing information between Governors and reporting back to the full Board of Trustees. This does not merely reiterate what has already been discussed in detail by the committee but focuses on the key points and decisions.

The Board of Trustees has agreed the following Committee Structure which should be reviewed in the autumn term each year:

- Complaints.
- Discipline (Pupils).
- Staff Dismissal.
- Dismissal Appeals.
- Pay Committee.

Complaints Committee – will meet as and when required

- To consider any complaint where it has not been possible to resolve the issue at an earlier stage of the Complaints Procedure, initiated at the request of the complainant.

Pupil Discipline Committee - will meet as and when required

- To consider and make decisions relating to pupil exclusions in accordance with the agreed procedures.

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Staff Dismissal Committee – will meet as and when required

- To consider and make decisions relating to staff capability, discipline and dismissal in accordance with procedures.

Pay Committee

- To draft and review the Academy's Pay Policy, including criteria relating to the use of discretionary elements for pay provisions, and to make recommendations.
- To determine salary levels for individual posts in accordance with the Pay Policy.
- To review the performance management policy and monitor its implementation.
- To liaise with the relevant committee to establish the annual and longer-term salary budgets and other costs relating to personnel, e.g. training.
- To review the staffing structure as necessary in relation to the Academy Improvement Plan.
- To recommend to the Board of Trustees staff selection procedures, ensuring that they conform with safe recruitment practice, and to review these procedures as necessary.
- To undertake any formal consultations on personnel matters.
- To review and recommend for adoption by the Board of Trustees procedures for dealing with staff discipline and grievance and ensure that the staff are informed of them.
- Should the need arise, to draft, in consultation with staff, criteria for redundancy, for approval by the Board of Trustees.

Connected Organisations including Related Party Relationships

The school is connected to:

- Loughborough Primary Academy Partnership (LPAP).
- Friends of Rendell.
- Loughborough Development Group (LDG).
- Leicestershire Primary Head Teachers.

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

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Objectives and Activities

Objects and Aims

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

The characteristics of the Academy set down in section 1(6) of the academies Act 2010 are that

1. The Academy has a broad and balanced curriculum that satisfies the requirements of section 78 of EA 2002.
2. The Academy provides a primary education with an emphasis on active and creative learning.
3. The Academy provides education for pupils with a wide range of abilities.
4. The Academy provides education for pupils predominantly from the local area.

Other conditions and requirements in respect of the Academy are that:

1. The Academy will be at the heart of the community, promoting community cohesion.
2. There will be external assessments of pupils' performance at Year 6 in the form of Statutory Assessment Tests (SATs).
3. The Academy will work in partnership with Loughborough Primary Academy Partnership (LPAP) to support and strengthen achievement in Rendell Primary School and all the LPAP schools in Loughborough.
4. The admissions policy and arrangements for the Academy will be in accordance with admissions law, and the DfE Codes of Practice, as they apply to maintained schools.
5. Teachers' levels of pay and conditions of service for all employees will be the responsibility of the Academy Trust save that when entering into a contract of employment with any person the Academy Trust shall be bound by and act in accordance with such guidance as the Secretary of State may publish in relation to the maximum salary that may be paid to employees of Academies.
6. There will be an emphasis on the needs of individual pupils including those with special educational needs or disabilities (SEND).
7. There will be no charge in respect of admission and the school will only charge pupils where the law allows maintained schools to charge.

Objectives, Strategies and Activities

- The vast majority of children make outstanding progress during their time at Rendell Primary School.
- That attainment reaches or exceeds national expectations.
- Vulnerable groups make progress that is at least in line with national.
- Move the majority of teaching to outstanding.
- Peer coaching within and across the Academy becomes the central tool to improve teaching and share excellent practice.

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- To provide a curriculum that has a holistic approach to child centred learning, is enriched by the creative arts and a global dimension that reflects the multicultural ethos of the Academy.
- To develop system leadership in teams to maximise effective management of all curriculum subjects
- To create an ethos of leadership and challenge at all levels across Academy.
- To have effective and powerful business management systems and protocols that efficiently support the running of an Academy.
- That effective structure ensures that the Board of Trustees can work in stronger partnership with the whole leadership team to produce and review the strategic development plan of the Academy.
- Pupils become co-constructors of their own learning through effective strengthening of pupil voice
- That our children engage in a rich and healthy activity of sport and fitness understanding its importance to wellbeing.
- To nurture a real sense of social responsibility and respect for others.
- Attendance is above 95% and holidays in term time are reduced.

Public Benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, "*Charities and Public Benefit*".

- To advance for the public benefit education in Loughborough, in particular but without prejudice to the generality of the foregoing by estimating, maintaining, carrying on, managing and developing schools, offering a broad curriculum.
- To provide facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

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STRATEGIC REPORT

Achievements and Performance

The achievement of pupils at Rendell Primary School can be summarised as follows:

- Pupils enter the Foundation Stage with skills well below the expected level for their age and make good progress by the time they leave in Year 6 with outcomes broadly in line with national.
- External moderation of the Foundation Year acknowledges that the staff know their children very well, providing high challenge that ensures progress is very good.
- Pupils at the end of Key Stage One continue to do well with the number achieving level 2b in English improving over the last three years and significantly above average in 2014, although the number of level 3 children was below national levels.
- Achievement in mathematics has improved and attainment at the end of Key Stage Two was significantly above national in 2014 at all levels.
- Pupils at the end of Key Stage One achieve standards that are just above the national expectations in mathematics at level 2 but not at level 3.
- Over the past three years progress has improved year on year across all year groups with the end of Key Stage Two progress being above national.
- Outcomes of the Grammar, Punctuation and Spelling test at Year 6 are significantly above average for levels 4, 5 and 6.
- Writing in Year 6 is significantly above national expectations.
- Reading results for Level 4 and 5 are significantly above average. No children achieved Level 6 in Literacy.
- Pupils with pupil premium have made good progress across school with clearly targeted high quality teacher intervention making a high impact on closing the gap.
- Attendance has improved consistently over the past three years and is now sitting at 96%. It continues to be a target area for improvement.
- The Academy internal tracking data demonstrates that progress and attainment within year groups has strengthened year on year with good or better progress being achieved in all subjects.

Key Performance Indicators

Quality Assurance checks from the Academy group secured the Academy's judgement of itself identifying that in all key areas of Achievement, Teaching and Learning, Leadership and Management and Behaviour the Academy was at least good.

End of Key Stage assessments indicate that progress and attainment for pupils across Academy is good.

Going Concern

After making appropriate enquiries, the 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

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the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

Rendell Primary School's annual income is obtained from the Department for Education (DfE) via the Education Funding Agency (EFA) in the form of a General Annual Grant (GAG). The use of which is restricted for particular purposes. Such grants and all associated expenditure are shown as restricted funds in the statement of financial activities for the period ending 31st August 2014.

Rendell Primary School has a positive carry forward, which it will deploy to further improve the school environment and resources for the benefit of its pupils.

During the period ended 31 August 2014 the excess of expenditure over income from DfE grants amounted to £15,513.

The EFA's Academy Finance Handbook sets out key financial responsibilities that the Board of Trustees follow, ensuring all expenditure of the Academy Trust is made in line with this Policy which supports the provision of Education of all pupils on roll.

Financial and Risk Management Objectives and Policies

The Academy has a Financial Management Manual incorporating the Finance Policy. Resources are used to maintain efficient staffing levels, ensure the continuing effectiveness of the organisation and good state of repair of the site and buildings.

Reserves Policy

The Academy's 'free' reserves are its funds after excluding restricted funds. 'Reserves' are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'free reserves' represent income to the Academy which is to be spent at the Trustee's discretion in furtherance of any of the Academy's objects but which is not yet spent, committed or designated.

Demands on the Academy's reserves are expected to vary over the coming years and therefore the suggested level of reserves should be equivalent to one month's expenditure, currently estimated at approximately £120,000. The reason for this is to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's level of free reserves at the end period was £24,727.

The level of restricted funds at the period end, excluding the restricted fixed asset fund and the pension reserve, amounted to £39,739.

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Funds in deficit

The Academy's non-teaching staff are entitled to membership of the Local Government Pension Scheme. The Academy's share of the Scheme's assets is currently assessed to be less than its liabilities in the Scheme and consequently the Academy balance sheet shows a net liability of £381,000. However, the deficit does not mean that an immediate liability for this amount crystallises. The contribution rate to reduce the liability is calculated by an independent actuary and is reported within the notes to the financial statements.

The intention over the next year is to accelerate the reducing of the deficit by having a full review with the independent actuary.

Investment Policy

The Academy currently does not have any investments.

Principal Risks and Uncertainties

The Academy has a Financial Risk Register in place which is under review by the Board of Trustees and updated as necessary.

The key areas of potential risk are:

- Not operating within its budget and running a deficit.
- Changes in funding.
- Inappropriate or insufficient financial controls and systems.
- Fraudulent activity.
- Financial commitments made without adequate authorisation.
- Reduction in pupil numbers that significantly affects the budget.

The key controls used by the Academy to reduce risk include:

- Formal agendas for the Academy board and committees.
- Schemes of delegation and formal financial regulation.
- Formal written policies.
- Clear authorisation and approval levels.
- Clear segregation of duties.
- Providing a stimulating, supportive and successful learning environment that ensures families continue to send their children to the academy.

Plans for Future Periods

The Board of Trustees will discuss whether it would be appropriate to have an investment policy. The Academy intends to action fully the areas of development as detailed in the Academy Development Plan 2013/14.

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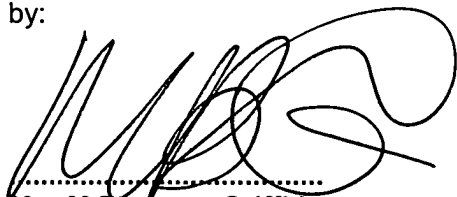
Auditor

Insofar as the Trustees are aware:

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

The auditors, Duncan & Toplis Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 2 December 2014 and signed on the Board's behalf by:



.....
Mrs M Bezzano Griffiths
Chair of Trustees

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GOVERNANCE STATEMENT

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Rendell Primary School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formal met three times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs K Rixon	5	5
Mrs M Bezzano-Griffiths	5	5
Mrs J Bramley (resigned 11.07.14)	5	5
Mr R Bray	4	5
Mrs P Jurkowski	5	5
Mrs R Begum	3	5
Mr P Robinson-Kerry	4	5
Mr J Hale	2	5
Mrs C Kemnic	5	5
Mr P Conway	5	5
Mrs C Poxon	3	5
Mrs C Bezzano (resigned 28.08.14)	1	5
Mr A Malik (resigned 01.01.14)	1	2
Mr J Miah (resigned 01.01.14)	0	2
Mrs S Hallam (resigned 01.01.14)	0	2
Mr I Marjoram (resigned 25.04.14)	3	4

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

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provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Rendell Primary School for the year ended 31 August 2014 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

The Risk and Control Framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Leicestershire County Council Internal audit Service, as Responsible Officer. The Responsible Officers role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

The Responsible Officer reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

Review of Effectiveness

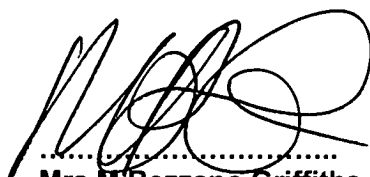
As Accounting Officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

**Rendell Primary School
(A Company Limited by Guarantee)**

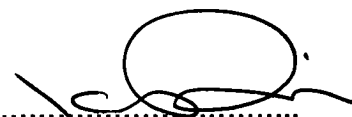
- the work of the Responsible Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the School Business Manager within the Academy Trust who has responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of the review of the system of internal control by the finance and general purpose committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 2 December 2014 and signed on its behalf by:



**Mrs M Bezzano Griffiths
Chair of Trustees**



**Mrs K Rixon
Accounting Officer**

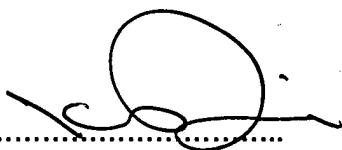
**Rendell Primary School
(A Company Limited by Guarantee)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Rendell Primary School I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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



.....
Mrs K Rixon
Accounting Officer

2 December 2014

**Rendell Primary School
(A Company Limited by Guarantee)**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who act as Governors of Rendell Primary School and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

The Trustees are responsible for ensuring that in its conduct and operation the Charitable Company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been applied for the purposes intended. The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 2 December 2014 and signed on its behalf by

.....
Mrs M Bezzano Griffiths
Chair of Trustees

RENDELL PRIMARY SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF RENDELL PRIMARY SCHOOL

We have audited the financial statements of Rendell Primary School for the year ended 31 August 2014 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

This report is made solely to the Academy's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Academy's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

The Trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report to you in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

UNQUALIFIED OPINION

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

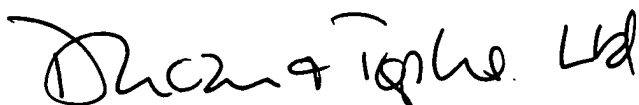
RENDELL PRIMARY SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF RENDELL PRIMARY SCHOOL

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the Academy has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Timothy Godson FCA

Duncan & Toplis Limited

Chartered Accountants and Statutory Auditors

4 Henley Way
Doddington Road
Lincoln

LN6 3QR

Date:

2 December 2014

Duncan & Toplis Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

RENDELL PRIMARY SCHOOL
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 11 November 2014 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 Rendell Primary School during the year 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF RENDELL PRIMARY SCHOOL'S ACCOUNTING OFFICER AND THE
REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Rendell Primary School's funding agreement with the Secretary of State for Education dated 29 October 2012, and the Academies Financial Handbook extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 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 year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

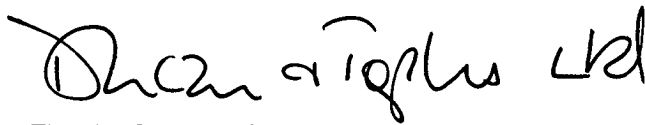
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy's income and expenditure.

RENDELL PRIMARY SCHOOL
(A company limited by guarantee)

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

CONCLUSION

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



Timothy Godson FCA

Duncan & Toplis Limited

Chartered Accountants and Statutory Auditors

4 Henley Way
Doddington Road
Lincoln
LN6 3QR

Date:

2 December 2014

RENDELL PRIMARY SCHOOL
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	10,689	-	-	10,689	6,188
Activities for generating funds	3	17,150	20,618	-	37,768	14,733
Funding for the Academy trust's educational operations	4	-	1,429,505	8,079	1,437,584	1,121,185
Transfer on conversion	5	-	-	-	-	2,193,639
TOTAL INCOMING RESOURCES		27,839	1,450,123	8,079	1,486,041	3,335,745
RESOURCES EXPENDED						
Funding for the Academy trust's educational operations	6	27,195	1,397,687	48,964	1,473,846	1,059,340
Governance costs	7	-	27,708	-	27,708	33,241
TOTAL RESOURCES EXPENDED	10	27,195	1,425,395	48,964	1,501,554	1,092,581
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		644	24,728	(40,885)	(15,513)	2,243,164

RENDELL PRIMARY SCHOOL
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Transfers between Funds	20	-	(21,301)	21,301	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		644	3,427	(19,584)	(15,513)	2,243,164
Actuarial gains and losses on defined benefit pension schemes		-	(126,000)	-	(126,000)	(23,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		644	(122,573)	(19,584)	(141,513)	2,220,164
<i>Total funds at 1 September 2013</i>		<i>24,083</i>	<i>(218,688)</i>	<i>2,414,769</i>	<i>2,220,164</i>	<i>-</i>
TOTAL FUNDS AT 31 AUGUST 2014		24,727	(341,261)	2,395,185	2,078,651	2,220,164

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 30 to 51 form part of these financial statements.

RENDELL PRIMARY SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 8219443

BALANCE SHEET
AS AT 31 AUGUST 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	17		2,395,185		2,407,473
CURRENT ASSETS					
Debtors	18	45,212		38,387	
Cash at bank		113,535		53,718	
		<u>158,747</u>		<u>92,105</u>	
CREDITORS: amounts falling due within one year	19	(94,281)		(41,414)	
NET CURRENT ASSETS			<u>64,466</u>		<u>50,691</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,459,651</u>		<u>2,458,164</u>
Defined benefit pension scheme liability	27		(381,000)		(238,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>2,078,651</u></u>		<u><u>2,220,164</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	20	39,739		19,312	
Restricted fixed asset funds	20	2,395,185		2,414,769	
Restricted funds excluding pension liability		<u>2,434,924</u>		<u>2,434,081</u>	
Pension reserve		(381,000)		(238,000)	
Total restricted funds			<u>2,053,924</u>		<u>2,196,081</u>
Unrestricted funds	20		<u>24,727</u>		<u>24,083</u>
TOTAL FUNDS			<u><u>2,078,651</u></u>		<u><u>2,220,164</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 2 December 2014 and are signed on their behalf by:

.....
Ms M Bezzano Griffiths
Chair of Trustees

The notes on pages 30 to 51 form part of these financial statements.

RENDELL PRIMARY SCHOOL
(A company limited by guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	Year ended 31 August 2014 £	Period ended 31 August 2013 £
Net cash flow from operating activities	22	96,493	92,344
Returns on investments and servicing of finance	23	-	266
Capital expenditure and financial investment	23	(36,676)	(82,531)
Cash transferred on conversion to an academy trust		-	43,639
INCREASE IN CASH IN THE YEAR		59,817	53,718

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2014

	Year ended 31 August 2014 £	Period ended 31 August 2013 £
Increase in cash in the year	59,817	53,718
MOVEMENT IN NET FUNDS IN THE YEAR	59,817	53,718
Net funds at 1 September 2013	53,718	-
NET FUNDS AT 31 AUGUST 2014	113,535	53,718

The notes on pages 30 to 51 form part of these financial statements.

RENDELL PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

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

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

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

RENDELL PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

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

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

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

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

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

RENDELL PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

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.

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

Charitable activities are costs incurred in the Academy's educational operations.

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

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

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

L/Term Leasehold Property	-	2% straight line
Fixtures and fittings	-	25% straight line
Computer equipment	-	33% straight line

RENDELL PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

1.7 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.8 Taxation

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

1.9 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 27, the TPS is a multi-employer scheme and the Academy 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 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 the 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 vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.10 Realignment of comparatives

Following revisions to the EFA Accounts Direction, certain expenses in 2013/14 have been classified on a difference basis to 2012/13. Where such differences arise, comparatives have been realigned to accord with 2013/14 classifications.

RENDELL PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

2. VOLUNTARY INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Donations	51	-	51	210
Other voluntary income	10,638	-	10,638	5,978
	<u>10,689</u>	<u>-</u>	<u>10,689</u>	<u>6,188</u>

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Lettings income	60	-	60	60
Catering income	16,712	-	16,712	13,806
Other income	378	20,618	20,996	867
	<u>17,150</u>	<u>20,618</u>	<u>37,768</u>	<u>14,733</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Funding for the Academy's educational operations	-	1,437,584	1,437,584	1,121,185

RENDELL PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	1,283,880	1,283,880	1,016,519
Start Up Grant	-	-	-	25,000
Pupil Premium	-	134,543	134,543	39,598
Other DfE/EFA Revenue grants	-	8,810	8,810	-
Devolved Formula Capital grant	-	7,443	7,443	7,296
Capital Maintenance grant	-	636	636	20,636
SEN 1-1 Funding	-	-	-	12,136
Other government revenue grants	-	2,272	2,272	-
	<u>-</u>	<u>1,437,584</u>	<u>1,437,584</u>	<u>1,121,185</u>

5. OTHER INCOMING RESOURCES

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Transfer on conversion	-	-	-	2,193,639
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,193,639</u>

6. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Funding for the Academy's educational operations	27,195	1,446,651	1,473,846	1,059,340
	<u>27,195</u>	<u>1,446,651</u>	<u>1,473,846</u>	<u>1,059,340</u>

SUMMARY BY EXPENDITURE TYPE

	Staff costs 2014 £	Depreciation 2014 £	Other costs 2014 £	Total 2014 £	Total 2013 £
Funding for the Academy's educational operations	1,108,826	48,964	316,056	1,473,846	1,059,340
	<u>1,108,826</u>	<u>48,964</u>	<u>316,056</u>	<u>1,473,846</u>	<u>1,059,340</u>

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7. GOVERNANCE COSTS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Governance Auditors' remuneration	-	6,000	6,000	5,500
Governance Auditors' non audit costs	-	1,403	1,403	2,650
Legal and professional fees	-	13,900	13,900	19,431
Personnel fees	-	6,140	6,140	4,841
Governance - Trustees expenses reimbursed	-	53	53	476
Governance - Trustees travel reimbursed	-	212	212	343
	<u>-</u>	<u>27,708</u>	<u>27,708</u>	<u>33,241</u>

8. DIRECT COSTS

	Funding for the Academy's educational operations £	Total 2014 £	Total 2013 £
Educational supplies	46,110	46,110	33,209
Examination fees	-	-	67
Staff development	19,618	19,618	16,945
Other costs	3,272	3,272	1,243
Wages and salaries	782,540	782,540	597,196
National insurance	50,372	50,372	37,208
Pension cost	119,842	119,842	86,554
Depreciation	48,964	48,964	34,058
	<u>1,070,718</u>	<u>1,070,718</u>	<u>806,480</u>

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9. SUPPORT COSTS

	Funding for the Academy's educational operations £	Total 2014 £	Total 2013 £
Other finance income less expenses	8,000	8,000	7,000
Technology costs	7,940	7,940	8,871
Recruitment and support	500	500	540
Maintenance of premises and equipment	45,484	45,484	9,914
Cleaning	12,280	12,280	10,189
Rent and rates	7,722	7,722	4,647
Energy costs	13,991	13,991	14,745
Insurance	26,235	26,235	18,079
Security	2,215	2,215	2,078
Transport	358	358	34
Telephone, postage and stationery	7,950	7,950	7,701
Catering	47,859	47,859	40,478
Other costs	50,748	50,748	10,974
Bank interest and charges	334	334	266
Operating leases - other	15,440	15,440	13,890
Wages and salaries	125,335	125,335	84,819
National insurance	5,503	5,503	3,824
Pension cost	25,234	25,234	14,811
	<u>403,128</u>	<u>403,128</u>	<u>252,860</u>

10. RESOURCES EXPENDED

	Staff costs 2014 £	Non Pay Expenditure Other costs 2014 £	Total 2014 £	Total 2013 £
Funding for the Academy's educational operations	952,754	117,964	1,070,718	1,060,159
Support costs - Funding for the Academy's educational operations	156,072	247,056	403,128	245,860
Charitable activities	<u>1,108,826</u>	<u>365,020</u>	<u>1,473,846</u>	<u>1,306,019</u>
Governance	<u>-</u>	<u>27,708</u>	<u>27,708</u>	<u>33,241</u>
	<u>1,108,826</u>	<u>392,728</u>	<u>1,501,554</u>	<u>1,339,260</u>

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11. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2014 £	Support costs 2014 £	Total 2014 £	Total 2013 £
Funding for the Academy's educational operations	<u>1,070,718</u>	<u>403,128</u>	<u>1,473,846</u>	<u>1,060,159</u>

12. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	Year ended 31 August 2014 £	Period ended 31 August 2013 £
Depreciation of tangible fixed assets: - owned by the charity	48,964	34,058
Auditors' remuneration	<u>6,000</u>	<u>5,500</u>

13. STAFF

a. Staff costs

Staff costs were as follows:

	Year ended 31 August 2014 £	Period ended 31 August 2013 £
Wages and salaries	912,480	684,714
Social security costs	55,875	41,033
Other pension costs (Note 27)	145,076	101,365
	<u>1,113,431</u>	<u>827,112</u>
Supply teacher costs	(4,605)	(2,699)
	<u>1,108,826</u>	<u>824,413</u>

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NOTES TO THE FINANCIAL STATEMENTS
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13. STAFF (continued)

b. Staff numbers

The average number of persons employed by the Academy during the year expressed as full time equivalents was as follows:

	Year ended 31 August 2014 No.	<i>Period ended 31 August 2013 No.</i>
Teachers	15	<i>15</i>
Management, admin and support staff	23	<i>20</i>
	<hr/> 38 <hr/>	<hr/> <i>35</i> <hr/>

c. Higher paid staff

No employee received remuneration amounting to more than £60,000 in either year.

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14. TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 2 Trustees (2013 - 4) in respect of defined benefit pension schemes.

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy in respect of their role as Trustees. The value of Trustees' remuneration fell within the following bands:

	Year ended 31 August 2014 £'000	Period ended 31 August 2013 £'000
Mrs K Rixon, Principal	55-60	45-50
Mrs P Jurkowski, Staff Governor	40-45	35-40
Mr I Marjoram, Staff Governor	15-20	10-15
Mrs S Hallam, Staff Governor	5-10	20-25

During the year, no Trustees received any benefits in kind (2013 - £NIL).

During the year ended 31 August 2014, expenses totalling £265 (2013 - £819) were reimbursed to 2 Trustees (2013 - 4), analysed as follows: Travel £212 (2013 - £343), Other £53 (2013 - £476).

15. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the year ended 31 August 2014 was £1,075 (2013 - £1,075). The cost of this insurance is included in the total insurance cost.

16. OTHER FINANCE INCOME

	Year ended 31 August 2014 £	Period ended 31 August 2013 £
Expected return on pension scheme assets	15,000	7,000
Interest on pension scheme liabilities	(23,000)	(14,000)
	<u>(8,000)</u>	<u>(7,000)</u>

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17. TANGIBLE FIXED ASSETS

	L/Term Leasehold Property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 September 2013	2,413,112	18,343	10,076	2,441,531
Additions	8,000	28,676	-	36,676
At 31 August 2014	2,421,112	47,019	10,076	2,478,207
Depreciation				
At 1 September 2013	32,217	170	1,671	34,058
Charge for the year	39,795	5,846	3,323	48,964
At 31 August 2014	72,012	6,016	4,994	83,022
Net book value				
At 31 August 2014	2,349,100	41,003	5,082	2,395,185
At 31 August 2013	2,380,895	18,173	8,405	2,407,473

Included in land and buildings is leasehold land at valuation £426,000 (2013 - £426,000), (cost £426,000, 2013 - £426,000) which is not depreciated.

18. DEBTORS

	2014 £	2013 £
Trade debtors	3,384	909
Other debtors	37,384	34,066
Prepayments and accrued income	4,444	3,412
	<u>45,212</u>	<u>38,387</u>

19. CREDITORS:
Amounts falling due within one year

	2014 £	2013 £
Trade creditors	26,394	3,233
Other taxation and social security	35,030	31,943
Accruals and deferred income	32,857	6,238
	<u>94,281</u>	<u>41,414</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

19. CREDITORS:
Amounts falling due within one year (continued)

	£
Deferred income	
Resources deferred during the year	<u>24,174</u>

20. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds - all funds	<u>24,083</u>	<u>27,839</u>	<u>(27,195)</u>	<u>-</u>	<u>-</u>	<u>24,727</u>
Restricted funds						
General Annual Grant (GAG)	53,151	1,283,880	(1,254,336)	(59,059)	-	23,636
Other DfE/EFA Grants	(37,758)	143,353	(131,169)	37,758	-	12,184
Other Government Grants	3,919	2,272	(2,272)	-	-	3,919
Other Income	-	20,618	(20,618)	-	-	-
Pension reserve	(238,000)	-	(17,000)	-	(126,000)	(381,000)
	<u>(218,688)</u>	<u>1,450,123</u>	<u>(1,425,395)</u>	<u>(21,301)</u>	<u>(126,000)</u>	<u>(341,261)</u>
Restricted fixed asset funds						
Capital expenditure from GAG	82,531	-	(10,304)	19,460	-	91,687
Devolved Formula Capital	7,296	8,079	-	-	-	15,375
Transfer from predecessor	2,324,942	-	(38,660)	1,841	-	2,288,123
	<u>2,414,769</u>	<u>8,079</u>	<u>(48,964)</u>	<u>21,301</u>	<u>-</u>	<u>2,395,185</u>
Total restricted funds	<u>2,196,081</u>	<u>1,458,202</u>	<u>(1,474,359)</u>	<u>-</u>	<u>(126,000)</u>	<u>2,053,924</u>
Total of funds	<u>2,220,164</u>	<u>1,486,041</u>	<u>(1,501,554)</u>	<u>-</u>	<u>(126,000)</u>	<u>2,078,651</u>

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

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

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

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

Local Government Grants includes funding provided for pupils with Statements of Special Educational Needs and is used by the academy to assist with the pupils education.

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

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

The pension reserve arises from the actuarial measurement of the Academy's share of the Local Government Pension Scheme deficit. This deficit is recorded as a provision. The actuarial cost of employing staff during the year is initially reflected in the normal running costs of the school in the restricted pension fund. The amount included in resources expended represents the pension cost for the year charged to income and expenditure that arises from actuarial calculations of service cost rather than employer contributions paid. Actuarial gains and losses that arise from changes in assumptions by the actuary or wider influences are shown in the restricted pension fund, the movement this year being a net £143,000 actuarial increase in the net pension fund deficit.

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

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

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	24,083	27,839	(27,195)	-	-	24,727
Restricted funds	(218,688)	1,450,123	(1,425,395)	(21,301)	(126,000)	(341,261)
Restricted fixed asset funds	2,414,769	8,079	(48,964)	21,301	-	2,395,185
	<u>2,220,164</u>	<u>1,486,041</u>	<u>(1,501,554)</u>	<u>-</u>	<u>(126,000)</u>	<u>2,078,651</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Tangible fixed assets	-	-	2,395,185	2,395,185	2,407,473
Current assets	24,727	134,020	-	158,747	92,105
Creditors due within one year	-	(94,281)	-	(94,281)	(41,414)
Provisions for liabilities and charges	-	(381,000)	-	(381,000)	(238,000)
	<u>24,727</u>	<u>(341,261)</u>	<u>2,395,185</u>	<u>2,078,651</u>	<u>2,220,164</u>

22. NET CASH FLOW FROM OPERATING ACTIVITIES

	Continuing £	Discontinued £	Year ended 31 August 2014 Total £	Period ended 31 August 2013 £
Net incoming resources before revaluations	(15,513)	-	(15,513)	2,243,164
Returns on investments and servicing of finance	-	-	-	(266)
Transfer on conversion	-	-	-	(2,193,639)
Depreciation of tangible fixed assets	48,964	-	48,964	34,058
Movement in debtors	(6,825)	-	(6,825)	(38,387)
Movement in creditors	52,867	-	52,867	41,414
FRS 17 adjustments	17,000	-	17,000	6,000
Net cash inflow from operations			<u>96,493</u>	<u>92,344</u>

23. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	Year ended 31 August 2014 £	Period ended 31 August 2013 £
Returns on investments and servicing of finance		
Interest paid	-	266

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**NOTES TO THE FINANCIAL STATEMENTS
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23. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	Year ended 31 August 2014 £	Period ended 31 August 2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(36,676)	(82,531)

24. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2013 £	Cash flow £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	53,718	59,817	-	113,535
Net funds	53,718	59,817	-	113,535

25. 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 Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

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

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

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

26. CAPITAL COMMITMENTS

At 31 August 2014 the Academy had capital commitments as follows:

	2014 £	2013 £
Contracted for but not provided in these financial statements	-	8,526

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**NOTES TO THE FINANCIAL STATEMENTS
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27. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Leicestershire 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 related to the period ended 31 March 2004 and of the LGPS 31 March 2010.

Contributions amounting to £6,940 were payable to the scheme at 31 August 2014 (2013 - 5,743) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS
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27. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme Changes

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

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

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £74,000, of which employer's contributions totalled £57,000 and employees' contributions totalled £17,000. The agreed contribution rates for future years are 21.3% for employers.

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.

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**NOTES TO THE FINANCIAL STATEMENTS
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27. PENSION COMMITMENTS (continued)

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

	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £
Equities	6.30	242,000	6.60	149,000
Bonds	3.30	59,000	3.80	60,000
Property	4.50	34,000	4.70	21,000
Cash	3.30	10,000	3.60	2,000
Total market value of assets		345,000		232,000
Present value of scheme liabilities		(726,000)		(470,000)
(Deficit)/surplus in the scheme		(381,000)		(238,000)

The amounts recognised in the Balance sheet are as follows:

	Year ended 31 August 2014 £	Period ended 31 August 2013 £
Present value of funded obligations	(726,000)	(470,000)
Fair value of scheme assets	345,000	232,000
Net liability	(381,000)	(238,000)

The amounts recognised in the Statement of financial activities are as follows:

	Year ended 31 August 2014 £	Period ended 31 August 2013 £
Current service cost	(66,000)	(41,000)
Interest on obligation	(23,000)	(14,000)
Expected return on scheme assets	15,000	7,000
Total	(74,000)	(48,000)

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27. PENSION COMMITMENTS (continued)

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

	Year ended 31 August 2014 £	Period ended 31 August 2013 £
Opening defined benefit obligation	470,000	367,000
Current service cost	66,000	41,000
Interest cost	23,000	14,000
Contributions by scheme participants	17,000	12,000
Actuarial Losses	151,000	36,000
Benefits paid	(1,000)	-
	<u>726,000</u>	<u>470,000</u>

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

	Year ended 31 August 2014 £	Period ended 31 August 2013 £
Opening fair value of scheme assets	232,000	158,000
Expected return on assets	15,000	7,000
Actuarial gains and (losses)	25,000	13,000
Contributions by employer	57,000	42,000
Contributions by employees	17,000	12,000
Benefits paid	(1,000)	-
	<u>345,000</u>	<u>232,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £149,000 (2013 - £23,000).

The Academy expects to contribute £65,000 to its Defined benefit pension scheme in 2015.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2014	2013
European equities	70.00 %	64.00 %
European bonds	17.00 %	26.00 %
Property	10.00 %	9.00 %
Cash	3.00 %	1.00 %

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27. PENSION COMMITMENTS (continued)

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

	2014	2013
Discount rate for scheme liabilities	3.70 %	4.60 %
Expected return on scheme assets at 31 August	5.50 %	5.70 %
Rate of increase in salaries	4.50 %	5.10 %
Rate of increase for pensions in payment / inflation	2.70 %	2.80 %

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

	2014	2013
Retiring today		
Males	22.2	20.9
Females	24.3	23.3
Retiring in 20 years		
Males	24.2	23.3
Females	26.6	25.6

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes

	2014	2013	2012	2011	2010
	£	£	£	£	£
Defined benefit obligation	(726,000)	(470,000)	-	-	-
Scheme assets	345,000	232,000	-	-	-
Deficit	(381,000)	(238,000)	-	-	-
Experience adjustments on scheme liabilities	(151,000)	(36,000)	-	-	-
Experience adjustments on scheme assets	25,000	13,000	-	-	-

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SENSITIVITY ANALYSIS

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below.

	Approx. % increase to employer liability %	Approx. monetary amount £
0.5% decrease in Real Discount Rate	15	108,000
1 year increase in member life expectancy	3	22,000
0.5% increase in Salary Increase Rate	9	62,000
0.5% increase in Pension Increase Rate	6	42,000

28. OPERATING LEASE COMMITMENTS

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

	Land and buildings 2014 £	2013 £	2014 £	Other 2013 £
Expiry date:				
Within 1 year	-	-	1,313	-
Between 2 and 5 years	-	-	-	10,622

29. RELATED PARTY TRANSACTIONS

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

During the year the Academy did not make any such transactions.

30. CONTROLLING PARTY

The Trustees as a body have ultimate control of the Academy.