

Registered number: 08483768

MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015



**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Members	C Wilton P Berryman N Archer M Cross
Trustees	C Wilton, Chair ¹ P Berryman, Vice Chair until 10 June 2015 (resigned 10 June 2015) ^{2,3} L Mussett, Vice Chair ¹ N Smethurst, Vice Chair from 14 July 2015 ^{2,3} J Staton, Headteacher ¹ N Archer ⁴ F Auty (appointed 22 April 2015) ² E Bendall (appointed 28 January 2015) ¹ R Bristow ² J Brown ¹ J Brown ² C Cox (appointed 17 September 2014) ^{2,4} C Davies (appointed 17 September 2014) ^{2,4} M Fahey (resigned 10 June 2015) ² G Fry ² M Goodwin (resigned 1 September 2014) ² J Jenkins ^{2,4} H Newton-Lewis (resigned 19 January 2015) ^{1,2} D Moore (appointed 28 January 2015) ¹ R Snedden ^{1,3} R Ward ¹ S Wilson (appointed 22 April 2015) ²

- ¹ Finance and Staffing Committee
- ² Curriculum and Premises Committee
- ³ Audit Committee
- ⁴ Foundation Committee

Company registered number	08483768
Principal and registered office	Tetbury Hill Malmesbury Wiltshire SN16 9JR

Company secretary T Osborne

Accounting officer J Staton

Senior leadership team J Staton, Headteacher
D Oakes, Deputy Headteacher
S Driver, Assistant Head, EYFS
J Ridgley, Assistant Head, Milepost 1
S Inder, Leader of Curriculum Innovation
R Bristow, Leader of Technology Innovation
T Osborne, School Business Manager

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Administrative details (continued)

Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 16 Queen Square Bristol BS1 4NT
Bankers	Lloyds Bank PLC 29 High Street Chippenham Wiltshire SN15 3HA
Solicitors	Veale Wasborough Vizards LLP Orchard Court Orchard Lane Bristol BS1 5WS

**MALMESBURY C OF E PRIMARY SCHOOL
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees present their annual report together with the Financial Statements and Auditors' Report of the charitable company for the year ended 31 August 2015. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an Academy for pupils aged 4 to 11 in Malmesbury. It has a pupil capacity of 420 and had a roll of 424 in the school census on 15 January 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy 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.

The Trustees of Malmesbury C of E Primary School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Malmesbury C of E Primary School.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

Members' liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance through the EFA's Risk Protection Arrangement (RPA) to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The RPA provides unlimited indemnity for Trustees' liability.

TRUSTEES

Method of recruitment and appointment or election of Trustees

At conversion on 1 June 2013 the Members appointed all those Governors that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy's Board of Trustees comprises of the Headteacher, a minimum of 5 Parent Trustees, up to 2 Staff Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the Academy, does not exceed one third of the total number of Trustees). The number of Trustees will not be less than 3 but is not subject to a maximum.

The Academy may have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 2 co-opted Trustees who are appointed by the Board of Trustees.
- up to 4 Foundation Trustees who are appointed by Diocese of Bristol.
- a minimum of 5 Parent Trustees who are elected by the parents of registered pupils at the Academy.
- up to 2 staff Trustees appointed by the Board of Trustees.
- up to 2 Community Trustees who are appointed by the Board of Trustees.
- the Headteacher who is treated for all purposes as being an ex officio Trustee.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher or the incumbent Vicar. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

The Diocese of Bristol is empowered under article 51 to appoint the Foundation Trustees.

When appointing new Trustees, the Board will give consideration to the variety of skills and experience of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

Policies and Procedures adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the school and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as a Trustee. As there are normally only two or three new Trustees a year, induction tends to be completed informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Wiltshire Governor Services, and our retained solicitors and auditors. The Academy also subscribes to the National Governor Association and all Trustees are provided with access to its online resources.

Organisational Structure

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are currently 4 committees as follows;

- Finance and Staffing Committee – this meets at least 3 times and up to 6 times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, and drafting the annual budget including setting staffing levels. It also receives reports with regards to staffing issues, employment law and recruitment.
- Curriculum and Premises Committee – this meets at least 3 times and up to 6 times a year to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues. It also monitors, assesses and recommends the commissioning of works to all buildings and other infrastructure work.
- Audit Committee – this meets at least once a year to assess compliance with reporting and regulatory requirements and reporting, receive reports from the Responsible Officer/internal assurance and make recommendations to the Board of Trustees regarding compliance and regularity.
- Foundation Governors – this meets as necessary through the year to monitor and encourage the Christian distinctiveness of the school.

The following decisions are reserved to the Board of Members: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chair and/or Vice Chair, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

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

The Members and Board of Trustees have devolved responsibility for day to day management of the Academy to School Leadership Team (SLT). The SLT comprises of the Headteacher, Deputy Headteacher, Assistant Heads, and the School Business Manager.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

The Academy has a leadership structure which consists of the Trustees and The School Leadership Team. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The SLT controls the Academy at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The Headteacher, Academy Business Manager and Finance Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff, though appointment panels for teaching posts always include a Trustee.

The Headteacher is the Accounting Officer.

Connected Organisations, including Related Party Relationships

The Academy has strong collaborative links with nine local cluster primary schools and Malmesbury Secondary School Academy. This is the Malmesbury Area Learning Community. In 2014/15 the Academy joined the Pickwick Learning Teaching Schools Alliance and the Avon Teaching Schools Alliance.

There are no related parties that either control or significantly influence the decisions and operations of Malmesbury C of E Primary School. There are no sponsors or formal Parent Teacher Associations associated with the Academy.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit education in Malmesbury and the surrounding area, in particular by establishing, maintaining, carrying on, managing and developing a school, that offers a broad, vibrant curriculum for pupils of different abilities, with a strong emphasis on serving the community by providing high quality education and promoting Christian values. We passionately believe in our mission that we are *'An Academy, Together Taking Every Opportunity to Make Our Best Better'*.

Our Academy aims that all pupils will become:

- **Confident individuals**
Children who are able to lead safe, healthy and fulfilling lives
- **Successful learners**
Children who will enjoy learning make great progress and achieve outstanding outcomes
- **Responsible citizens**
Children who will grow and flourish to make a positive contribution to society

Our Academy aims for all pupils to:

- be given an equal opportunity to reach their full potential academically and socially;
- have their awareness of moral and spiritual values continually raised;
- be encouraged to become independent learners equipped with the necessary skills for life;
- be encouraged to have understanding, tolerance and a respect for the needs of others that can be shown through thoughts and deeds
- be able to demonstrate an increasing respect for their own and others possessions, developing an increasing appreciation and concern for their immediate and the wider environment.

Our Academy has a nurturing, caring ethos founded on our Christian distinctiveness established on:

- Love for myself and others
- Love for life and learning
- Love for God

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

This is promoted through our highly visible values of:

- **Respect**
I respect myself, treat others as I would like to be treated and value what I have around me.
- **Courage**
I have faith, I believe in myself and I rise to a challenge.
- **Kindness**
I am friendly, helpful and polite.
- **Creativity**
I use my imagination to explore and share ideas.
- **Independence**
I am resilient, resourceful and reflective.

The aims of the Academy during the period ended 31 August 2015 are summarised below:

- to continue to raise standards in all aspects of educational achievement for all pupils.
- to continue to provide a vibrant, creative, broad and balanced curriculum, including extra curricular activities.
- to promote engagement in and, a love of, learning for all pupils.
- to develop the Academy buildings and site so that it inspires pupils to achieve and provides a safe environment.
- to ensure that every pupil has equal access to high quality education in terms of resources, quality of teaching and care.
- to improve the effectiveness of the Academy by continually reviewing the organisational structure and curriculum.
- to maximise the number of pupils who achieve positive academic outcomes, L4+ in reading, writing and mathematics.
- to provide value for money in all aspects of the work of the Academy.
- to comply with all appropriate statutory and regulatory requirements.
- to maintain close links with Malmesbury Abbey and the wider local community.
- to develop the Academy's capacity to manage change, and conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.
- to ensure that the Ofsted action point from our 2012 inspection where the school was judged outstanding "Help to maintain the rise in pupils' attainment in mathematics by ensuring that pupils in all year groups are provided with frequent opportunities to apply and develop their mathematical skills in knowledge in other subject areas."

At Malmesbury C of E Primary School we aim to achieve the best for, and from, each child. We intend to enable each child to realise his/her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

Objectives, Strategies and Activities

Key priorities for the coming year are contained in our Academy Development Plan 2015-16. The focus for improvement and development over the last year included:

School Improvement Plan Heading: Raw Power

- Continuing to improve levels of attainment and rates of progress in writing for all groups of pupils so that overall levels of achievement in Reading, Writing and Mathematics combined can be raised.

Activities to support the above goal included:

- Literacy team needed to be remodelled after staff changes. The creation of a literacy team that could be sustainable across a large two-form entry school, involved the support and development of an established Key Stage 2 teacher (RW) and a teacher completing an NQT year in Key Stage 1 (MC) who shadowed the role through the year in readiness for Sept 2015.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

- Literacy Leader (KS1 LA moderator) moderated, supported and advised Yr 6 teachers for the preparation of KS2 audit for teacher assessment in Writing by LA June 2015. (See writing audit & pupil writing journeys) * LA = Local Authority
- To sustain high achievement in reading, an audit of reading resources resulted in order of Oxford Reading Tree resources. Books and interactive software to maintain stimulating interesting stock for constant heavy use in KS1/EYFS for 180 of our youngest pupils. Next steps will be to expand for use and convenience by Yr 3 (to include selected authors, new Oxford Reading Tree stages 11,12,13 titles to create progressive Free Readers 1,2,3)
- Analysis of data from pupil groups in KS1 highlighted a group of vulnerable readers in Yr 1 boys – audit reflected this need and boy appeal was generated by purchasing Alien Adventures /Non-fiction titles. Plus appointment of additional Teaching Assistant to work 1:1 with Reading Recovery intervention techniques and phonics reinforcement primarily in Y1
- Focused audits of all areas of the English programme of study 2014. Audit through lesson observations (initially some joint observation JS/JR to guide RW) work samples taken and record of materials/resources used. Following audits/discussion with RW English leader and School Leadership Team arrived at decisions regarding Professional Development offered to staff so that they all are clear about changes that may affect pupil progress and enhance their own teaching practice. (x2 Professional Development Meeting's Autumn/ Spring)
- Professional Development (following the above) to embed New English Programme, book scrutiny feedback, and resources purchased to reinforce SPAG (Schofield/Scholastic teacher guides purchased to ensure staff have appropriate lesson planning support.) The meetings emphasised developing practice for effective teaching of English Spelling & Grammar ensured all staff were aware of procurement of resources to support ESPG teaching including Schofield & Scholastic teacher support materials.
- Updated English Policy to reflect changes to new National Curriculum and its impact on changing English practice. Also included the whole school approach to marking and feedback, resources and Assessment For Learning: (22.06.15)
- Phonics Audit for Yr 1 and Yr 2 especially vulnerable (re-take) pupils to ensure progress for all pupils highlighted need for action plan. This was created and delivered to feature parent workshops, interactive resources and to establish trends in children's most common mistakes.
- On-going research and trial of different assessment systems to achieve consistency and understanding amongst all staff regarding 'Life without levels' carried on through the year. Trials undertaken in Yr1/Yr2/4 with Ros Wilson's Big Writing criteria plus the possibility of creating customised Learning Ladders with the aim to maximise both pupil and parental involvement in the next steps of learning.

School Improvement Plan Heading: Malmesbury's Marvellous Mathemagicians

- Ensure continued levels of attainment and rates of progress in mathematics for all pupils so that the end of KS2 results continue to be significantly above national levels.

Activities to support the above goal included:

- Introduction of '99' club to raise profile of times tables and multiplication strategies.
- External mathematics consultant engaged to introduce expectations of new mathematics curriculum with a T&D Day session alongside visits to work with mathematics team.
- Maths Consultant undertook maths MOT with Maths team, which included lesson observations, learning, walks, discussions with teachers and a questionnaire to promote self-evaluation of maths practice. This resulted in School Leadership Team (SLT) & maths team establishing that there was a need to ensure that:
- Models and images were being used effectively to support the teaching of maths concepts.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

- Expectations needed to be raised in the light of the new curriculum and more opportunities for open-ended tasks needed to be included in plans for lessons, alongside scaffolding prompts to support children's participation and appropriate response to questions in maths. This resulted in the development of common prompts and supports for teachers to use during lessons.
- As a result of this work extensive research was undertaken to establish high quality resources to support teaching and learning. After trialling a number of resources, the Abacus Maths scheme was rated the highest by all staff and subsequently purchased in early 2015.
- To support teachers working toward the raised standards within the new curriculum new assessment tools with a strong diagnostic element were purchased and these were used for the first time in term 4 2015.
- Maths provision is reviewed regularly and as a result, setting for maths has continued in Y2. Y6 have continued with a three set structure and Y4 created a third set in order that appropriate differentiation is in place for low attaining pupils

School Improvement Plan Heading: Digital Revolution

- Enhance teaching and learning across the curriculum by regular planned and creative use of mobile technology through iPads and other devices.
- Gain Regional Training Centre status through developing links with Apple to establish our school as a centre of exemplary practice with highly skilled staff and pupils.
- Introduce the new computing curriculum across both Key Stages.

Activities to support the above goal included:

- 1:1 iPad project for Y6 funding previously secured through a successful bid and the project commenced in 2014 and first Y6 to start the year with 1:1 provision in September 2014. This in turn enabled whole of KS2 to have effectively 1:4 provision across Y3,4&5.
- Folder (file sharing system) established in September 2014 to enable pupils and staff to save and manage their digital files. Staff can now also do this on mobile devices and PC's.
- Digital Leaders programme for pupils started in October 2014. 12 highly motivated and high attaining pupils in ICT selected to assist and promote digital technology within assigned Yr groups. Their assistance was technical and educational in terms of uses and applications of software and hardware.
- Apple RTC status confirmed in September 2014. Continuing Professional Development (CPD) and training offered by school staff through Regional Training Centre including:
 - ◆ Whole day CPD to cluster and other South West schools. 'Apple Bites' CPD courses to promote use of digital technology in school, cluster and across North and Central Wiltshire.
 - ◆ D Oakes (Deputy Head) confirmed as Apple Distinguished Educator and in Summer 2015 attended Amsterdam global conference.
 - ◆ School to school support offering introduction and development of digital technology to schools on a local (St Joseph's Catholic Primary & Broad Town schools) and national including schools in Yorkshire, Lancashire and Suffolk.
- Trilby TV pioneered by D Oakes and R Bristow enabling instant sharing / digital signage which was also managed by digital leaders. Trilby Tracker app developed by digital leaders as a trial for the company. Pupils involved in giving feedback directly to the developers at meetings in school. R Bristow attended Research & Development sessions with Trilby in Birmingham. Building further on this relationship the 'Amazon Project' was launched and Malmesbury Primary School is one of three schools nationally to support this project. Data logging equipment was utilised on location field visits feeding back data to contribute to collaborative iBook to be launched nationally in 2015.
- High quality headphones and splitters procured for EYFS and Y1 so that pupils and teachers can maximise impact of iPads.
- Pupils with a particular flair for coding taught and led sessions to teach peers and younger pupils coding basics.
- New computing curriculum introduced to all staff at professional development meeting's (PDM) in Spring 2015. Staff given digital curriculum to draw content and given time to meet the requirement for three units of work over the year to be planned & delivered in alignment with International Primary Curriculum (IPC) themes where possible.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

- Parent experts deployed during the Spring and Summer 2015 to teach coding (Scratch) to all Y5&6 classes.

School Improvement Plan Heading: Special Spaces, Special Places

- Creating a new dynamic learning space at the heart of the school that facilitates flexible learning for all groups of pupils.
- Developing catering facilities, premises and procuring resources to create an enjoyable mid day break experience for all pupils and staff.
- Continue to create an inspiring outdoor environment for the EYFS.

Activities to support the above goal included:

- The development of the EYFS Play area was fully completed and operational at the beginning of term six. This inclusive outdoor play area is a dynamic, flexible and versatile environment where our youngest children can choose, create, change and can independently be in charge of their play environment. There is a wide range of stimuli providing open ended contexts for play, exploration, talk, physical activity, plenty of real experiences and provides contact with the natural world.
- Develop catering facilities, premises and procure resources to create a positive and enjoyable mid-day break experience for pupils and staff
- Extensive research commenced through the Summer/Autumn of 2014 to explore all available options to enhance the catering service at the Academy. The motivation for this initiative was to enhance the well being of pupils through creating a service that could positively respond to needs and create healthy, appealing, well priced meals for all and have a service that could effectively integrate food, healthy eating and nutrition into the curriculum. The resulting actions from the research and consultation were:
 - ◆The termination of a contract with an existing catering provider and the appointment of a new school catering team, headed up by a new chef for the Academy.
 - ◆A successful grant application by the SBM secured capital funding to redesign and re equip the kitchen, create new office space and procure new furniture ensuring that through Autumn 2014 a new service was successfully able to meet the demands of the new free school meals for KS1 initiative. A positive new dining experience for pupils was created including a sheltered experience for our youngest pupils where supervision ratios are more favourable.
 - ◆A sheltered outdoor area for KS2 pupils was constructed late in the year and this facility will be developed into 2015/16 as an extension of the lunchtime space. We aim to create a new dynamic learning space at the heart of the school that facilitates flexible learnign for all groups of pupils.

School Improvement Plan Heading: Learning 4 Life

- Giving pupils greater ownership and involvement in school life and leadership. Creating highly motivating personal, emotional, social, moral, spiritual and cultural experiences that empower all pupils to be the best they can be.
- Developing leadership opportunities that reinforce the school values alongside creating roles for pupils that further involve them in contributing to the leadership of the school. Giving pupils greater ownership and involvement in school life and leadership.

Activities to support the above goal included:

- New curriculum handbook project was completed in consultation with all teaching staff during the year;
 - ◆The project involving SLT members and year group colleagues attending International Primary Curriculum assessment and planning event in Exeter to ensure that we established a clear link between the new NC14 statements and IPC learning goals.
 - ◆Consultations with Subject Leaders to secure and embed the changes in their subjects and future direction of assessment. Testing assessment rubrics in different subjects to ensure that assessments are skills based and clearly recognize subject specific skills. Whole staff professional development meetings to discuss NC14 changes and how working with the Curriculum Handbook will affect practice.

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**TRUSTEES' REPORT (continued)
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- ◆ Developing 'Subject Heroes' characters for each subject that introduce the key skills in subjects in child friendly, engaging ways.
- New 'House System' set up during 2014/15. The project involved:
 - ◆ Whole staff PDM's and Trustee meetings to introduce concept, set the vision and goals and plan competition to inspire pupils and promote engagement.
 - ◆ Principles for the House System agreed through these meetings and consultations.
 - ◆ Competition for all pupils to create house identities and logos.
 - ◆ Key Inclusion support staff grouped all pupils into vertically grouped sets (families grouped together) to form four house groups.
 - ◆ House Captains elected during Y6 People and Power curriculum theme as the culmination of successful election campaigns.
- ◆ House Captains developing leadership roles and house groups being used as a foundation for promoting mixed age activities and key events such sports days.
- ◆ First House Sports Days held in June 2015 and first house trophies presented at end of year.
- Expand and maintain current programme of Physical Education, en. Ensuring tall pupils have the opportunity to participate within and outside of the curriculum in physical activity.
- Ensure that Sports Premium Funding is targeted and used effectively.
- Monitor and evaluate existing provision, both in the curriculum and extra curricular. A detailed PE development plan is available on request from the school office.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy aims to advance for the public benefit, education in Malmesbury and the surrounding area. In particular, but without prejudice to the generality of the foregoing by estimating, maintaining, managing and developing the school, offering a broad, vibrant curriculum with a strong emphasis on creativity, engaging learners and providing them with a wide range of learning opportunities.

The Academy provides 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.

As an Academy we have a duty to support other schools. Schools currently supported through the Academy and being engaged in advisory support by Wiltshire LA are Princecroft, Holbrook, Broad Town and Kington St Michael Primary Schools. We support these schools through use of our specialist skills in leadership development and raising achievement. We are also involved in ad-hoc support projects as other schools identify areas where they feel they may need support and approach the Academy to procure this support. Current projects include a mobile technology staff development programme at St Joseph's Primary (Malmesbury) and leadership development and Governor Data training courses delivered on behalf of Wiltshire LA. The Academy also employs a Parent Support Advisor whose services were traded to seven cluster primary schools and Malmesbury Primary School.

STRATEGIC REPORT

Achievements and Performance

The Academy has recently completed its second year of operation and has met the target forecast for number of students. The total number of students in the year ended 31 August 2015 was 417 but this has increased to 423 in September 2015 due to places being filled in some year groups where there were occasional vacancies. The Academy is currently full in all year groups and has a waiting list in operation. As a result of our popularity, we remain oversubscribed in the EYFS.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

The Academy is organised on a two form entry year group structure, beginning at EYFS and culminating at Y6. The curriculum is based on the IPC with an emphasis on engagement, creativity and learning challenge. To assist in managing the introduction of the New National Curriculum 2014/15 and to recognise that expectations in terms of outcomes will be raised for all pupils, the academy is investigating bringing changes to the structure of teaching teams from September 2015. The organisation in 2014/15 was still geared to teachers planning in Milepost Teams aligned to the structure of the existing IPC throughout 2014/15. Milepost 1 comprises of four classes; 2 x Y1 & 2 x Y2. Milepost 2 comprises of four classes; 2 x Y3 & 2 x Y4, Milepost 3 comprises of four classes; 2 x Y5 & 2 x Y6. Teams met regularly to plan and review their work. Pupils continue to be enthused to learn through dynamic entry points to learning themes that create inspiring incitements to learn. Exit points then conclude themes so that pupils can consolidate and apply the skills and knowledge they have studied.

The School Leadership Team was set up to lead and manage this structure with Assistant Headteachers leading the EYFS and Milepost. 1. Senior teachers led Mileposts 2 & 3 (with a Teaching & Learning Responsibility allowance), reporting to the Deputy Headteacher who directs the work of KS2. All classes benefit from teaching assistant support, which has a significantly positive impact on teaching, learning and pupil achievement. Parents, community volunteers and Trustees have also had a considerable positive effect on teaching and learning at the Academy this year. Their support and commitment to the children at our Academy is inspiring. They have helped with reading, writing, maths, music, extra curricular clubs and educational visits.

Our pupils are offered a wide range of extra curricular activities which change termly. They include sporting activities, such as Roaring Rugby, football, netball, golf and athletics, to arts and science based clubs, for example creative textile, cookery, computing code, engineering and Lego Robots that are also offered in rotation throughout the year. The Academy has a strong music tradition with pupils given the opportunity to play a wide range of instruments such as piano, saxophone, guitar and strings. The Academy also hosts and has a close working relationship with Malmesbury Music Academy which hires Academy premises and offers creative arts and music to over a hundred local children and adults on Saturday mornings in term time.

Pupil attainment over time in terms of results at KS1 and KS2 is high. Pupil achievement is generally good and in many cases outstanding. The high quality of teaching and learning determines these outcomes. Results in 2015 are not as high in terms of pupil attainment at KS1 although still broadly in line with national levels. At KS2 results are mainly above national with exceptions in writing. The lower attainment in writing is also reflected in the dip in attainment at L5 for Reading, Writing and Mathematics combined and in the overall value added score for all subjects at KS2:

KEY STAGE 2 SATS 2015

Reading Progress

LPA – 100% made 2 levels progress or better (5/5 pupils)
MPA – 94% made 2 levels progress or better (34/36 pupils)
HPA – 95% made 2 levels progress or better (21/22 pupils)
Overall reading progress 95%

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

Reading, Writing & Mathematics	Cohort	L4+	L4B+	L5+	APS
School	63	83%	78%	13%	29.4
Local Authority	4884	80%	69%	24%	28.8

Reading only:

School	63	97%	90%	62%	30.4
Local Authority	4884	90%	82%	52%	29.3

Writing Progress

LPA – 80% made 2 levels progress or better (4/5 pupils)

MPA – 86% made 2 levels progress or better. (31/36 pupils)

HPA – 77% made 2 levels progress or better. (17/22 pupils)

Overall writing progress 83%

Writing	Cohort	L4+	L5+	APS
School	63	86%	22%	27.5
Local Authority	4884	87%	35%	28.3

Mathematics Progress

LPA – 100% made 2 levels progress or better (5/5 pupils)

MPA – 86% made 2 levels progress or better. (31/36 pupils)

HPA – 82% made 2 levels progress or better. (18/22 pupils)

Overall Mathematics progress 86%

Mathematics	Cohort	L4+	L4B+	L5+	APS
School	63	89%	79%	43%	29.9
Local Authority	4884	86%	75%	40%	28.8

Overall Progress

Cohort APS @ KS1 Combined - 16.4

Cohort APS@ KS2 Combined – 29.4

Cohort APS Progress Score +13 pts

Grammar Punctuation & Spelling	Cohort	L4+	L4B+	L5+	APS
School	63	89%	76%	57%	29.7
Local Authority	4884	79%	71%	54%	28.9

Malmesbury C of E Primary School was inspected by OFSTED in September 2012, eight months prior to conversion to Academy status, and was judged to be 'outstanding'.

During the year, the Academy has executed the plan to procure resources through using a grant from the Academies Capital Maintenance Fund to expand the capacity of the catering facilities to fulfil the requirements of the Universal Infant Free School Meals scheme.

Continuing professional development for staff has been focussed on ensuring the Academy is well positioned to sustain school improvement and that all staff are equipped to support the needs of a wide range of pupils. To achieve this the Headteacher has consolidated Ofsted Inspector training, completing shadow and sign off inspections and has, alongside School Leadership Team colleagues, provided consultancy and school improvement support to the Local Authority. A member of the Leadership Team who successfully undertook Moderator training for KS1 now supports the Local Authority in moderating standards at KS1 in a wide range of schools.

**MALMESBURY C OF E PRIMARY SCHOOL
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

Teaching and support staff have undertaken continued training in the new Mathematics curriculum, alongside updates related to the new English curriculum. This is helping to ensure that our pupils continue to achieve well against national standards, as well as continuing to actively engage with learning through the International Primary Curriculum. Following the accreditation of Apple Regional Training Centre status in September 2014, considerable staff training focussed on the use of digital technology to enhance learning. Academy staff have also supported other local schools in integrating the use of iPads within the curriculum. Our Deputy Headteacher has gained Apple Distinguished Educator status, becoming part of a global community of innovative educators. He showcased the work of the school at the Apple International Education Conference 2015 in Amsterdam.

For TA's, training focussed upon enhancing pupils' Personal, Social and Emotional Development has been utilised well during the year and key TA's who undertook Emotional Literacy Support Assistant (ELSA) and Behaviour Management training have had a significant positive impact on pupil welfare and behaviour. The majority of TA's undertook Autistic Spectrum Disorder training in order that they can effectively support a wide range of needs within the classroom, and have effectively introduced strategies to help pupils experiencing these conditions to succeed and thrive.

A staffing review and reorganisation of the administrative and finance team has effected the appropriate financial separation of duties necessary for effective Academy management and both extended and deepened the team's skill set.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date and in particular, the management of spending against General Annual Grant (GAG). In the period under review £3,009 (2014: £2,495) of GAG funding was carried forward.

As funding is based on pupil numbers this is also a key performance indicator. Funded pupil numbers for 2014/15 were 422. It is anticipated that this number will continue to rise due to local housing development and the growth of the largest employer in Malmesbury, Dyson.

Another key financial performance indicator is staffing costs as a percentage of total income (excluding restricted fixed asset income). For 2015 this was 81% (2014: 79%). The percentage of staffing costs in 2014/15 was expected to be greater than in previous years because the Academy recruited its own catering staff after contracting this service out previously.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Going Concern policy.

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2015 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the period ended 31 August 2015, total expenditure of £1,896,948 was covered by recurrent grant funding from the DfE, together with other incoming resources of £1,771,126. The excess of expenditure over income for the period (excluding restricted fixed asset funds) was £2,169.

**MALMESBURY C OF E PRIMARY SCHOOL
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

At 31 August 2015 the net book value of fixed assets was £5,111,320 and movements in tangible fixed assets are shown in note 14 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity.

Key financial policies adopted or reviewed during the year include the Financial Management Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included the Financial Procedures Manual, Charging and Remissions, Lettings, Gifts & Hospitality, Anti-Fraud and Corruption and Governors' Allowances.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of reserves should be approximately £100,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of reserves (unrestricted funds and GAG) is £131,230.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy's budgeted annual income, whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, or direct impact on the free reserves of the Academy.

Investment Policy

All funds surplus to immediate requirements are invested to best effect.

Due to the nature and timing of receipt of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Headteacher and Business Manager within strict guidelines approved by the Board of Trustees.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major 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 principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the EFA. In the last year 92% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

**MALMESBURY C OF E PRIMARY SCHOOL
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer/Internal Audit to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst the Academy is over-subscribed, risks to revenue funding from a falling roll are small. However, the freeze on the Government's overall education budget, changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community.

Full details of our plans for the future are given in our Academy Development Plan 2015-2017, which is available from the Clerk to the Trustees.

**MALMESBURY C OF E PRIMARY SCHOOL
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

We plan to maintain suitable class sizes for the age and aptitude of the pupils. All classes have proportionate teaching assistant support. This will reflect in academic outcomes being improved.

The Academy will potentially be considering expansion over the next 12 months as part of cooperation with the Malmesbury Neighbourhood Plan.

The Academy attained 'Apple Regional Training Centre' status on 30 September 2014 this means that it is a hub for regional training to promote the application of mobile digital technology within the curriculum.

The current Head Teacher, J Staton, will retire on 31 December 2015 and the Academy's Board of Trustees has conducted a thorough recruitment process, resulting in the appointment of S Heal as Head Teacher with effect from 1 January 2016. The Assistant Head of Milepost 2, J Ridgley, also leaves on 31 December and recruitment is currently underway for her replacement. From the start of the 2015/16 academic year the SLT has taken the opportunity to improve the strategic leadership of the Academy by reorganising the Milepost Team structure to improve pupils' experience of Key Stage transition, and facilitate leadership succession planning.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.


AUDITORS

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The Trustees' report, incorporating a Strategic Report, was approved by order of the Board of Trustees, as company directors, on 25 November 2015 and signed on the board's behalf by:



C Wilton
Chair of Trustees

**MALMESBURY C OF E PRIMARY SCHOOL
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Malmesbury C of E 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 Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Malmesbury C of E 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 Trustees' Responsibilities Statement. The Board of Trustees has formally met 6 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
C Wilton, Chair	6	6
N Archer	4	6
J Staton, Headteacher	6	6
P Berryman, Vice Chair until 10 June 2015	4	5
L Mussett, Vice Chair	5	6
N Smethurst, Vice Chair from 14 July 2015	5	6
F Auty	3	3
E Bendall	4	4
R Bristow	6	6
J Brown	6	6
J Brown	6	6
C Cox	6	6
C Davies	6	6
M Fahey	3	5
G Fry	6	6
M Goodwin	0	0
J Jenkins	5	6
H Newton-Lewis	0	2
D Moore	4	4
R Snedden	6	6
R Ward	5	6
S Wilson	3	3

There have been 4 resignations and 6 board appointments in 2014/15 and all vacant posts have been filled. A governor skills audit carried out in 2014/15 has informed the appointment strategy and strengthened the Foundation representation. 4 individual committees were amalgamated in November 2014, creating a Finance and Staffing Committee and a Curriculum and Premises Committee, which has resulted in improved attendance rates and quorate reliability for meetings.

Following 2 years of higher than usual staff turnover for the Academy and a desire to improve transition between year groups, in summer 2014 the Board of Trustees approved the reorganisation of Milepost Teams for the 2015/16 academic year. During 2014/15 a new SLT was created using temporary Teaching and Learning Responsibility awards to facilitate professional development and succession planning. This has been effective in supporting the reorganisation of the leadership team for the 2015/16 academic year following the resignation of an SLT member at the end of the 2014/15 academic year. The Board has also accepted the resignation of the Headteacher due to his retirement in December 2015, so commenced a recruitment strategy in July 2015.

**MALMESBURY C OF E PRIMARY SCHOOL
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GOVERNANCE STATEMENT (continued)

Governance reviews:

The Board of Trustees carried out a skills audit in 2014/15 and used the results to put a retention and replacement strategy in place going forwards. All new Trustees have received in-school induction from the Headteacher and 3 attended training courses a Local Authority 'New Governor' training course.

The Headteacher's resignation has prompted a review of the Board of Trustees' knowledge and understanding of the new National Standards of Excellence for Headteachers, prompting the organisation of a course led by Tom Whittingham, which will be offered to all Malmesbury Primary School Trustees, as well as to cluster schools.

The Finance and Staffing Committee is a sub-committee of the main Board of Trustees. Its strategic purpose is to ensure that all strategic goal action plans are funded as fully as possible within the constraints of the school budget and ensure that teaching is effective by developing, promoting and sharing good practice and ensuring that learning opportunities for all pupils are maximised.

Areas of responsibility include:

- Setting the annual school budget with reference to the priorities identified in the School Improvement Plan and recommending the budget for approval by the full Board of Trustees
- Monitoring income and expenditure against predicted levels
- Ensuring that the school achieves value for money in its budgetary decisions and that appropriate financial procedures are in place for the effective discharging of staff responsibilities in terms of financial management.
- Provide internal assurance process and participate in risk management for the Academy
- Establishing and maintaining appropriate levels of staff
- Ensuring that all teachers and assistants are suitably qualified, effective practitioners who can successfully meet the needs of pupils and able to contribute to the development of the school
- Monitor the operation of the performance management policy
- Work closely with curriculum committee to create a staff development programme to promote effective planning and active learning
- Review deployment of TLR's & TA's across Key Stages building on success of previous school improvement plan initiatives

Areas of particular focus in 2014/15 for the Finance and Staffing Committee included catering expenditure relating to Academies Capital Maintenance Fund, staff performance management (in regard to new pay policy) and the induction and performance of new teachers.

During the year E Bendall (a qualified accountant), R Ward, C Wilton, and D Moore joined the committee.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
E Bendall	1	2
J Brown	2	5
D Moore	1	2
L Mussett	1	5
R Snedden	5	5
J Staton	4	5
R Ward	0	5
C Wilton	4	5

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GOVERNANCE STATEMENT (continued)

Attendance at meetings in the past year was affected by Trustees' individual work commitments and the reorganisation of the committee structure (which in the longer term should improve attendance levels).

The Audit Committee is also a sub-committee of the main Board of Trustees. Its purpose is to maintain an oversight of the Academy's governance, risk management, internal control and value for money framework. It reports its findings annually to the Board of Trustees and the Accounting Officer as a critical element of the Academy's annual reporting requirements. The Audit Committee has no executive powers or operational responsibilities/duties.

In November 2014 the Audit Committee reviewed the Financial Controls and Assurance Reports dated December 2013, March 2014, June 2014 and August 2014. Areas covered were:

- Internal Control; reviewing the following: financial procedures, risk register, Business Continuity Plan and Scheme of Delegation.
- Register of business interests
- Financial planning/budget setting
- Payroll
- Review of ordering procedures
- Completion of the CC8 Internal Financial Controls for Charities Self-assessment checklist

E Bendall will replace P Berryman as a member of the Audit Committee from 1 September 2015. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
P Berryman	1	1
N Smethurst	1	1
R Snedden	1	1

REVIEW OF VALUE FOR MONEY

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

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

- Renegotiating contracts on expiry to achieve better value (eg: photocopiers, insurance)
- Terminating the outsourced catering contract and bringing it in-house, to achieve improved procurement, better HR management, improved service quality and support for other aspects such as curriculum activities and catering for lettings.
- Using Pupil Premium and delegated revenue funding to support interventions (such as booster groups, Parent Support Advisor services and inclusion measures such as funding for extra curricular activities and trips) based on data analysis and other qualitative data to ensure pupil attainment and narrow the gap for disadvantaged pupils. A particular focus has been on working with SEN practitioners (eg: SENCO, KS1 SEN HLTA, EYFS SEN support worker and Play Therapist) to support engagement and attainment.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 Malmesbury C of E Primary School for the year to 31 August 2015 and up to the date of approval of the annual report and financial statements.

GOVERNANCE STATEMENT (continued)

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 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'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 Staffing 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. R Snedden, a Trustee, acted as the Academy's Internal Assurance Auditor' (IAA, formerly the 'Responsible Officer') during 2014/15 and as Chair of the Audit Committee, directed the work of Hazel Ryan, whom the Academy contracts with (through Wiltshire Council) for the Financial Controls and Assurance Reporting Service (FCARS).

The FCARS Officer's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included:

- Income procedures
- Disaster Recovery & Business Continuity
- BACS payments procedures
- Financial reporting to Trustees
- Review of observations and recommendations arising from 2013/14 audit by Bishop Fleming LLP
- Novel and contentious transactions
- Potential fraud response plan

On a quarterly basis, the appointee 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.

On a quarterly basis, the IAA 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.

**MALMESBURY C OF E PRIMARY SCHOOL
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GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

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

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

Approved by order of the members of the Board of Trustees on 25 November 2015 and signed on its behalf, by:



C Wilton
Chair of Trustees



J Staton
Accounting Officer

**MALMESBURY C OF E PRIMARY SCHOOL
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Malmesbury C of E Primary School I have considered my responsibility to notify the Academy 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 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 Board of Trustees are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy'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.


J Staton
Accounting Officer

Date: 25 November 2015

**MALMESBURY C OF E PRIMARY SCHOOL
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**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees (who act as governors of Malmesbury C of E Primary School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of 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;
- 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 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 and signed on its behalf by:



C. Wilton
Chair of Trustees

Date: 25 November 2015

**MALMESBURY C OF E PRIMARY SCHOOL
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MALMESBURY C OF E PRIMARY SCHOOL

We have audited the financial statements of Malmesbury C of E Primary School for the year ended 31 August 2015 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 2014 to 2015 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF 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.

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.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2015 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 2014 to 2015 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Report, incorporating the Strategic Report, for the financial period for which the financial statements are prepared is consistent with the financial statements.

**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MALMESBURY C OF E PRIMARY SCHOOL

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Bishop Fleming LLP

David Butler FCA DChA (Senior Statutory Auditor)
for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date: *11 December 2015*

**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
MALMESBURY C OF E PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 18 July 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Malmesbury C of E Primary School during the year 1 September 2014 to 31 August 2015 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 Malmesbury C of E Primary School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Malmesbury C of E 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 Malmesbury C of E Primary School and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF MALMESBURY C OF E PRIMARY SCHOOL'S ACCOUNTING
OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Malmesbury C of E Primary School's funding agreement with the Secretary of State for Education dated 19 December 2012, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. 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 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 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.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
MALMESBURY C OF E 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 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Bishop Fleming LLP

David Butler FCA DChA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

Date: *11 December 2015*

MALMESBURY C OF E 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 2015

		Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds	Total funds 15 months ended 2014
	Note	2015 £	2015 £	2015 £	2015 £	ended 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Transfer on conversion	2	-	-	-	-	5,146,885
Other voluntary income	2	10,813	50,256	-	61,069	89,695
Activities for generating funds	3	22,295	-	-	22,295	21,782
Investment income	4	291	1,000	-	1,291	294
Incoming resources from charitable activities	5	59,347	1,618,433	8,691	1,686,471	2,072,894
TOTAL INCOMING RESOURCES		92,746	1,669,689	8,691	1,771,126	7,331,550
RESOURCES EXPENDED						
Charitable activities		94,546	1,646,678	132,344	1,873,568	2,140,993
Governance costs	9	-	23,380	-	23,380	41,185
TOTAL RESOURCES EXPENDED	6	94,546	1,670,058	132,344	1,896,948	2,182,178
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		(1,800)	(369)	(123,653)	(125,822)	5,149,372
Transfers between Funds	17	-	(93,088)	93,088	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		(1,800)	(93,457)	(30,565)	(125,822)	5,149,372
Actuarial gains and losses on defined benefit pension schemes		-	43,000	-	43,000	(77,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		(1,800)	(50,457)	(30,565)	(82,822)	5,072,372
Total funds at 1 September		130,021	(199,534)	5,141,885	5,072,372	-
TOTAL FUNDS AT 31 AUGUST		128,221	(249,991)	5,111,320	4,989,550	5,072,372

All of the Academy's activities derive from continuing operations during the current and prior period.

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

The notes on pages 31 to 48 form part of these financial statements.

MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 08483768

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	14		5,111,320		5,141,885
CURRENT ASSETS					
Debtors	15	41,103		101,125	
Cash at bank and in hand		181,033		203,065	
		<u>222,136</u>		<u>304,190</u>	
CREDITORS: amounts falling due within one year	16	(90,906)		(101,703)	
NET CURRENT ASSETS			<u>131,230</u>		<u>202,487</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,242,550</u>		<u>5,344,372</u>
Defined benefit pension scheme liability	24		(253,000)		(272,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>4,989,550</u></u>		<u><u>5,072,372</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
General funds	17	3,009		72,466	
Fixed asset funds	17	5,111,320		5,141,885	
Restricted funds excluding pension liability		<u>5,114,329</u>		<u>5,214,351</u>	
Pension reserve		<u>(253,000)</u>		<u>(272,000)</u>	
Total restricted funds			<u>4,861,329</u>		<u>4,942,351</u>
Unrestricted funds	17		<u>128,221</u>		<u>130,021</u>
TOTAL FUNDS			<u><u>4,989,550</u></u>		<u><u>5,072,372</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 25 November 2015 and are signed on their behalf, by:

C Wilton
Chair of Trustees

The notes on pages 31 to 48 form part of these financial statements.

**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

		2015	15 months ended 2014
	Note	£	£
Net cash flow from operating activities	19	70,765	142,169
Returns on investments and servicing of finance	20	291	294
Capital expenditure and financial investment	20	(93,088)	(29,583)
Cash transferred on conversion to an Academy		-	90,185
(DECREASE)/INCREASE IN CASH IN THE YEAR		(22,032)	203,065

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015**

	2015	15 months ended 2014
	£	£
(Decrease)/increase in cash in the year	(22,032)	203,065
MOVEMENT IN NET FUNDS IN THE YEAR	(22,032)	203,065
Net funds at 1 September	203,065	-
NET FUNDS AT 31 AUGUST	181,033	203,065

The notes on pages 31 to 48 form part of these financial statements.

**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

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 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 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. The Trustees conclude that it is appropriate to prepare accounts on the going concern basis for the period ended 31 August 2015.

1.3 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.

1.4 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.

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.

**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

1.5 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.

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.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between 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 provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold building	-	50 years straight line
Long term leasehold land	-	125 years straight line
Fixtures and fittings (external)	-	10% straight line
Fixtures and fittings (internal)	-	20% straight line
Computer equipment	-	50% straight line

**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

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.

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 24, 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 settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

2. VOLUNTARY INCOME

	Unrestricted funds	Restricted funds	Total funds	Total funds 15 months ended 2014
	2015 £	2015 £	2015 £	£
Transfer from Local Authority on conversion	-	-	-	5,146,885
Donations	10,813	50,256	61,069	89,695
Voluntary income	10,813	50,256	61,069	5,236,580

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds	Restricted funds	Total funds	Total funds 15 months ended 2014
	2015 £	2015 £	2015 £	£
Lettings	7,111	-	7,111	5,946
External Catering	930	-	930	-
Consultancy	14,254	-	14,254	15,836
	22,295	-	22,295	21,782

4. INVESTMENT INCOME

	Unrestricted funds	Restricted funds	Total funds	Total funds 15 months ended 2014
	2015 £	2015 £	2015 £	£
Bank interest	291	-	291	294
Pension finance income	-	1,000	1,000	-
	291	1,000	1,291	294

MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	Total funds	Total funds 15 months ended 2014
	2015 £	2015 £	2015 £	£
DfE/EFA grants				
Capital Grants	-	8,691	8,691	83,066
General Annual Grant	-	1,421,344	1,421,344	1,835,224
Start Up Grant	-	-	-	25,000
Universal Infant Free School Meals	-	63,366	63,366	-
Pupil Premium	-	59,908	59,908	64,915
Other DfE/EFA revenue grants	-	9,785	9,785	9,800
	-	1,563,094	1,563,094	2,018,005
Other Government grants				
High Needs	-	33,264	33,264	16,045
Other Government revenue grants	-	30,766	30,766	15,129
	-	64,030	64,030	31,174
Other funding				
Internal catering income	37,079	-	37,079	-
Uniform income	6,771	-	6,771	9,285
Income for hosting trainee teachers	910	-	910	-
Income from other schools	14,587	-	14,587	14,430
	59,347	-	59,347	23,715
	59,347	1,627,124	1,686,471	2,072,894

6. RESOURCES EXPENDED

	Staff costs	Non Pay Premises	Expenditure Other	Total	Total 15 months ended 2014
	2015 £	2015 £	2015 £	2015 £	£
Direct costs	1,219,514	77,069	186,351	1,482,934	1,770,301
Support costs	207,227	87,585	95,822	390,634	370,692
CHARITABLE ACTIVITIES	1,426,741	164,654	282,173	1,873,568	2,140,993
GOVERNANCE	1,418	-	21,962	23,380	41,185
	1,428,159	164,654	304,135	1,896,948	2,182,178

MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

7. DIRECT COSTS

	Total 2015 £	15 months ended 2014 £
Pension finance costs	-	3,000
Educational supplies	81,558	82,947
Staff development	8,602	11,921
Educational visits	34,176	52,634
Supply teachers	6,247	-
Technology costs	25,728	18,163
Wages and salaries	970,673	1,212,037
National insurance	59,327	77,004
Pension cost	183,268	197,273
Depreciation	113,355	115,322
	1,482,934	1,770,301

8. SUPPORT COSTS

	Total 2015 £	15 months ended 2014 £
Pension finance costs	-	1,000
Educational supplies	3,284	2,475
Recruitment and support	1,909	4,914
Maintenance of premises and equipment	17,668	45,412
Cleaning	2,914	5,203
Rent and rates	19,058	16,461
Energy costs	16,657	17,635
Insurance	20,604	33,275
Security and transport	3,100	475
Catering	48,607	15,962
Technology costs	8,051	3,449
Office overheads	5,420	5,168
Legal and professional	16,352	36,200
Bank interest and charges	794	318
Wages and salaries	161,592	138,005
National insurance	8,665	7,484
Pension cost	36,970	24,180
Depreciation	18,989	13,076
	390,634	370,692

MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

9. GOVERNANCE COSTS

	Total funds 2015 £	15 months ended 2014 £
Internal assurance costs	1,279	1,523
Auditors' remuneration	6,600	6,500
Auditors' non audit costs	1,600	3,470
Legal and professional	10,699	26,827
Other costs	1,784	1,440
Wages and salaries	938	1,150
Pension costs	480	275
	23,380	41,185

10. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	15 months ended 2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	132,344	128,398
Auditors' remuneration	6,600	6,500
Auditors' non-audit costs	1,600	3,470
Internal assurance costs	1,279	1,523
Operating lease rentals:		
- other fixed assets	5,026	5,750

11. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	15 months ended 2014 £
Wages and salaries	1,133,203	1,351,192
Social security costs	67,992	84,488
Other pension costs (Note 24)	220,717	221,727
	1,421,912	1,657,407
Supply teacher costs	6,247	-
	1,428,159	1,657,407

MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

11. 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:

	2015 No.	15 months ended 2014 No.
Teachers	15	15
Educational Support	17	9
Administration	3	2
Management	2	2
	<u>37</u>	<u>28</u>

c. Higher paid staff

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

	2015 No.	2014 No.
In the band £60,001 - £70,000	<u>1</u>	<u>1</u>

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for this employee amounted to £9,724 (2014: 15 month period ended £11,742).

12. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy in respect of their role as Trustees. The value of Trustees' Remuneration and other benefits was as follows (2014: 15 month period): J Staton: Remuneration £65,000 - £70,000 (2014: £80,000 - £85,000), Employer's pension contributions £5,000 - £10,000 (2014: £10,000 - £15,000); J Ridgley: Remuneration £NIL (2014: £50,000 - £55,000), Employer's pension contributions £NIL (2014: £5,000 - £10,000); R Bristow: Remuneration £30,000 - £35,000 (2014: £30,000 - £35,000), Employer's pension contributions £0 - £5,000 (2014: £0 - £5,000); and J Brown: Remuneration £10,000 - £15,000 (2014: £25,000 - £30,000), Employer's pension contributions £0 - £5,000 (2014: £5,000 - £10,000).

During the year retirement benefits were accruing to 3 Trustees (2014: 4) in respect of defined benefit pension schemes.

During the year, no Trustees received any benefits in kind (2014: £NIL).

During the year ended 31 August 2015, expenses totalling £1,120 (2014: £NIL) were reimbursed to 3 Trustees (2014: NIL).

Other related party transactions involving the Trustees are set out in note 26.

MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

13. 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 unlimited cover on any one claim. For the year ended 31 August 2015 the cover was provided through the Education Funding Agency's Risk Protection Arrangement. Accordingly, the cost of the Trustee indemnity element is not separately identifiable (2014: £1,827).

14. TANGIBLE FIXED ASSETS

	Long term leasehold land and buildings £	Fixtures and fittings £	Computer equipment £	Total £
COST				
At 1 September 2014	5,170,948	54,128	45,207	5,270,283
Additions	-	75,847	25,932	101,779
At 31 August 2015	<u>5,170,948</u>	<u>129,975</u>	<u>71,139</u>	<u>5,372,062</u>
DEPRECIATION				
At 1 September 2014	89,615	6,672	32,111	128,398
Charge for the year	89,615	16,666	26,063	132,344
At 31 August 2015	<u>179,230</u>	<u>23,338</u>	<u>58,174</u>	<u>260,742</u>
NET BOOK VALUE				
At 31 August 2015	<u>4,991,718</u>	<u>106,637</u>	<u>12,965</u>	<u>5,111,320</u>
At 31 August 2014	<u>5,081,333</u>	<u>47,456</u>	<u>13,096</u>	<u>5,141,885</u>

15. DEBTORS

	2015 £	2014 £
Trade debtors	2,803	7,168
VAT recoverable	4,909	9,769
Prepayments and accrued income	33,391	84,188
	<u>41,103</u>	<u>101,125</u>

MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

16. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade creditors	-	7,554
Other taxation and social security	19,849	20,121
Accruals and deferred income	71,057	74,028
	<u>90,906</u>	<u>101,703</u>

DEFERRED INCOME

	£
Deferred income at 1 September 2014	41,809
Resources deferred during the year	46,019
Amounts released from previous years	<u>(41,809)</u>
Deferred income at 31 August 2015	<u>46,019</u>

At the balance sheet date the Academy was holding EFA grants received in advance, for the 2015/16 academic year.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

17. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General funds	130,021	92,746	(94,546)	-	-	128,221
RESTRICTED FUNDS						
General Annual Grant (GAG)	2,495	1,421,344	(1,379,638)	(41,192)	-	3,009
Pupil Premium	23,075	59,908	(82,983)	-	-	-
PE and Sports Grant	-	9,785	(9,785)	-	-	-
High Needs	-	33,264	(33,264)	-	-	-
Pupil Growth	-	18,210	(18,210)	-	-	-
Universal Infant Free School Meals (UIFSM)	-	63,366	(63,366)	-	-	-
Academies Capital Maintenance Fund (ACMF)	46,896	-	-	(46,896)	-	-
Education visits	-	33,517	(33,517)	-	-	-
Donations	-	16,739	(11,739)	(5,000)	-	-
Other Restricted Funds	-	12,556	(12,556)	-	-	-
Pension reserve	(272,000)	1,000	(25,000)	-	43,000	(253,000)
	<u>(199,534)</u>	<u>1,669,689</u>	<u>(1,670,058)</u>	<u>(93,088)</u>	<u>43,000</u>	<u>(249,991)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	5,126,076	-	(95,609)	-	-	5,030,467
Fixed assets purchased from GAG and other restricted funds	15,809	8,691	(36,735)	93,088	-	80,853
	<u>5,141,885</u>	<u>8,691</u>	<u>(132,344)</u>	<u>93,088</u>	<u>-</u>	<u>5,111,320</u>
Total restricted funds	<u>4,942,351</u>	<u>1,678,380</u>	<u>(1,802,402)</u>	<u>-</u>	<u>43,000</u>	<u>4,861,329</u>
Total of funds	<u><u>5,072,372</u></u>	<u><u>1,771,126</u></u>	<u><u>(1,896,948)</u></u>	<u><u>-</u></u>	<u><u>43,000</u></u>	<u><u>4,989,550</u></u>

**MALMESBURY C OF E PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (continued)

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

RESTRICTED FUNDS

The General Annual Grant (GAG) represents funding received from the Education Funding Agency (EFA) which is to be used for the normal running costs of the Academy, including education and support costs.

Pupil Premium funding represents funding received from the EFA for children that qualify for free school meals to enable the Academy to address the current underlying socio-economic inequalities.

The PE and Sports Grant funding is funding received from the EFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

High Needs funding is received from the Local Authority to fund further support for students with additional needs.

Pupil Growth is funding received from the Local Authority with the purpose of supporting growth in pupil numbers.

Universal Infant Free School Meals (UIFSM) represents funding received from the EFA to enable Malmesbury C of E Primary School to offer free school meals to every pupil in reception, year 1 and year 2.

The Academies Capital Maintenance Fund (ACMF) represents funding received from the EFA to fund repair work on the school premises.

Educational visits represents restricted donations received from parents.

Donations represents money received from Friends of Malmesbury C of E Primary School, The School House Trust and parents for maintenance or purchase of Academy assets, as well as educational and extra-curriculum activities.

Other restricted funds relate to funding received from the Local Authority.

Pension reserve represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

FIXED ASSET FUNDS

Fixed assets transferred on conversion represents the land, buildings and equipment donated to the school from the Local Authority on conversion to an Academy.

Fixed assets purchased from GAG and other restricted funds represent amounts spent on fixed assets from the GAG, DFC and ACMF funding received from the EFA.

TRANSFERS BETWEEN FUNDS

The transfer from the restricted funds to the restricted fixed asset funds represents the total capital expenditure from the GAG, ACMF and donations received during the period.

OTHER INFORMATION

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 2015.

MALMESBURY C OF E PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds	Total funds 15 months ended 2014
	2015 £	2015 £	2015 £	2015 £	ended 2014 £
Tangible fixed assets	-	-	5,111,320	5,111,320	5,141,885
Current assets	128,221	93,917	-	222,138	304,190
Creditors due within one year	-	(90,908)	-	(90,908)	(101,703)
Pension scheme liability	-	(253,000)	-	(253,000)	(272,000)
	<u>128,221</u>	<u>(249,991)</u>	<u>5,111,320</u>	<u>4,989,550</u>	<u>5,072,372</u>

19. NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources	(125,822)	5,149,372
Returns on investments and servicing of finance	(291)	(294)
Net assets transferred on conversion	-	(5,146,885)
Depreciation of tangible fixed assets	132,344	128,398
Capital grants from DfE	(8,691)	-
Decrease/(increase) in debtors	60,022	(101,125)
(Decrease)/increase in creditors	(10,797)	101,703
Defined benefit pension scheme adjustments	24,000	11,000
NET CASH INFLOW FROM OPERATIONS	<u>70,765</u>	<u>142,169</u>

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

	2015 £	2014 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	<u>291</u>	<u>294</u>
	2015 £	2014 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(101,779)	(29,583)
Capital grants from DfE	8,691	-
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	<u>(93,088)</u>	<u>(29,583)</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

21. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	203,065	(22,032)	-	181,033
NET FUNDS	203,065	(22,032)	-	181,033

22. MEMBERS' LIABILITY

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

23. CAPITAL COMMITMENTS

At 31 August 2015 the Academy had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	-	22,485

24. 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 Wiltshire 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 2013.

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

24. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge) (currently 14.1%);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

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

The pension costs paid to TPS in the period amounted to £155,167 (2014: £165,354).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy 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.

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24. PENSION COMMITMENTS (continued)

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 2015 was £127,000, of which employer's contributions totalled £103,000 and employees' contributions totalled £24,000. The agreed contribution rates for future years are 23.9% for employers and 5.5% for employees.

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

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	3.80	413,000	6.30	305,000
Bonds	3.80	87,000	3.40	73,000
Property	3.80	70,000	4.50	43,000
Cash	3.80	12,000	3.30	9,000
Total market value of assets		582,000		430,000
Present value of scheme liabilities		(835,000)		(702,000)
(Deficit)/surplus in the scheme		(253,000)		(272,000)

The amounts recognised in the Balance Sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(835,000)	(702,000)
Fair value of scheme assets	582,000	430,000
Net liability	(253,000)	(272,000)

The amounts recognised in the Statement of Financial Activities are as follows:

	2015 £	2014 £
Current service cost	(127,000)	(93,000)
Interest on obligation	(27,000)	(29,000)
Expected return on scheme assets	28,000	25,000
Total	(126,000)	(97,000)

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24. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Opening defined benefit obligation	702,000	-
Current service cost	127,000	93,000
Interest cost	27,000	29,000
Contributions by scheme participants	24,000	22,000
Actuarial losses	(45,000)	87,000
Liability transferred on conversion	-	471,000
	<u>835,000</u>	<u>702,000</u>
Closing defined benefit obligation	<u>835,000</u>	<u>702,000</u>

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

	2015 £	2014 £
Opening fair value of scheme assets	430,000	-
Expected return on assets	28,000	25,000
Actuarial gains and (losses)	(2,000)	10,000
Contributions by employer	102,000	86,000
Contributions by employees	24,000	22,000
Asset transferred on conversion	-	287,000
	<u>582,000</u>	<u>430,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £34,000 (2014 loss: £77,000).

The Academy expects to contribute £97,000 to its Defined benefit pension scheme in 2016.

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

	2015	2014
Equities	71.00 %	71.00 %
Bonds	15.00 %	17.00 %
Property	12.00 %	10.00 %
Cash	2.00 %	2.00 %

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

	2015	2014
Discount rate for scheme liabilities	3.80 %	3.70 %
Expected return on scheme assets at 31 August	3.80 %	5.60 %
Rate of increase in salaries	4.60 %	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %

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24. PENSION COMMITMENTS (continued)

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

	2015	2014
Retiring today		
Males	22.3 years	22.3 years
Females	24.5 years	24.5 years
Retiring in 20 years		
Males	24.1 years	24.1 years
Females	26.9 years	26.9 years

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2015 £	2014 £
Defined benefit obligation	(835,000)	(702,000)
Scheme assets	582,000	430,000
Deficit	(253,000)	(272,000)
Experience adjustments on scheme liabilities	45,000	(87,000)
Experience adjustments on scheme assets	(2,000)	10,000

25. OPERATING LEASE COMMITMENTS

At 31 August 2015 the Academy had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
EXPIRY DATE:		
Within 1 year	791	132
Between 2 and 5 years	2,380	1,819

26. 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 Trustee 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.

No related party transactions took place in the current or previous period of account.