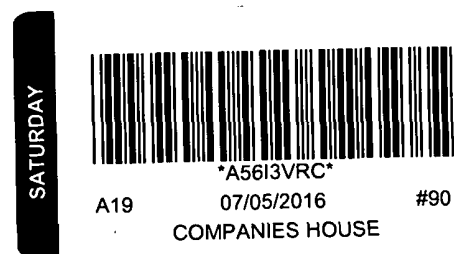


RICHMOND HILL ACADEMY LIMITED
(A company limited by guarantee)

Annual Report and Financial Statements

Year Ended 31 August 2015



Company Registration Number:

8820308 (England and Wales)

RICHMOND HILL ACADEMY LIMITED
(A company limited by guarantee)

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RICHMOND HILL ACADEMY LIMITED
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Reference and administrative details

| Trustees | Appointed |
|--|------------------|
| Jill Foster (Principal)* | 01/02/2014 |
| Mavis Latham | 01/02/2014 |
| Phil Crawley | 01/02/2014 |
| Ellen Walker | 01/02/2014 |
| Deborah Temperton* | 01/02/2014 |
| Irene McLaughlin* | 01/02/2014 |
| Lynsey Chambers* | 01/02/2014 |
| Nigel Hair | 01/02/2014 |
| Debbie Secker | 17/10/2014 |
| * Members of the Business Committee | |

Clerk to Directors
Julie Found

Senior Management Team

| | |
|-------------------|--------------------------------------|
| Jill Foster | Principal |
| Debbie Secker | Vice Principal |
| Kelly Cousins | Vice Principal |
| Deborah Temperton | Assistant Principal (non-curriculum) |
| Kevin Norton | Inclusion Manager |
| Karen O'Keeffe | Assistant Principal – job share |
| Sarah Lewis | Assistant Principal – job share |

Registered Office

Richmond Hill Primary Academy
Melton Road
Sprotbrough
Doncaster
South Yorkshire
DN5 7SB

Company Registration Number
8820308

Auditors

Duncan & Toplis Limited
15 Chequergate
Louth
Lincolnshire
LN11 0LJ

Bankers

Lloyds
55 High Street
Doncaster
DN1 1BH

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Solicitors

Bracewell Solicitors
17-23 Thorne Road
Doncaster
South Yorkshire
DN1 2RP

Surveyors

AA Projects
Jackson House
Sibson Road
Sale
Manchester
M33 7RR

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Trustees' Report

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2014 to 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 serving a catchment area in Sprotbrough, Doncaster. It has a pupil capacity of 472 and had a roll of 432 in the school census on 25 September 2014.

Structure, Governance and Management

Constitution

Richmond Hill Primary Academy Limited (RHPAL) was incorporated on 19 December 2013 and opened as an Academy on 1 February 2014.

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy's Trust.

The governors act as Trustees for the charitable activities of Richmond Hill Primary Academy and are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Richmond Hill Primary Academy Limited.

Details of the governors who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 3.

Members Liability

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

Trustees Indemnities

As required by Chapter 7, Section 236 of the Companies Act, we disclose that every Trustee or other officer or auditor of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default breach or duty of breach in trust in relation to affairs of the Academy Trust.

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 on any one claim.

Principal Activities

The principal activity of the charitable company is the operation of the RHPAL to provide nursery and primary education for pupils between the ages of 4-11. This is the primary object of the Academy Trust as set out in paragraph 4 of the Articles of Association of the Company Limited by Guarantee.

Method of Recruitment and Appointment or Election of Trustees

RHPAL has an independent community spirited and skill centred approach to the appointment of Trustees. The Trustee, where possible using skill set analysis and through careful appointment, look to compliment and extend the skill set of existing board of trustees.

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The Members may appoint up to ten trustees and via this method of member appointment RHPAL ensures a diverse and broad balance of trustees.

The Articles outline the different types of Governor, each category has slightly differing election processes as outlined below:-

The term of office for any Governor shall be 4 year, save that this time limit shall not apply to the principal, or any post which is held ex officio. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

Foundation Trustee in office appoint foundation Trustees to any foundation governor's vacancies

- The Board of Directors may appoint up to 2 Community Governors

Up to 2 Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when he/she is elected. The term of office of a parent governor should end when he ceases to be the parent of a registered pupil. If no such RHPAL parent is elected, a person who is a parent of a child of compulsory school age may be appointed.

Up to 2 staff governors shall be elected by a ballot of all staff employed under a contract of employment or a contract for services or otherwise engaged to provide services to the Academy (excluding the Principal). If a Staff Governor ceases to work at the Academy then he/she shall be deemed to have resigned and shall cease to be a Governor automatically on termination of his/her work at the Academy. An election of a Staff Governor which is contested shall be held by secret ballot.

The Governors may appoint up to 3 Co-opted Governors. A 'Co-Opted Governor' means a person who is appointed to be a Governor by being Co-Opted by Governors who have not themselves been so appointed.

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

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary, induction will provide training on charity and education legal and financial matters. All new Trustees and Governors are given a tour of the Academy and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budget plans and other documents that they will need to undertake their role of Trustees. As there are normally few new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

Organisational Structure

The structure of the Academy consists of two senior levels: The Board of Directors Trustees and the Principal leading the Senior Leadership Team which includes Vice Principals, Assistant Principal (Non-curriculum), Inclusion Manager and Assistant Principals.

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

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

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The Principal and Senior Leadership Team control the Academy at an executive level, implementing the policies set by the Board of Directors and reporting back to them.

The Board of Directors has established five sub-committees. Each sub-committee has its own terms of reference detailing the responsibilities discharged for the sub-committees to the Principal (The Accounting Officer) and to the Senior Leadership Team.

The terms of reference and meeting frequency for each sub-committee is reviewed and approved by the Board of directors annually. The Academy has an approved Financial Handbook which details the Academy's authorised spending limits.

The sub-committees of the Board of Directors are:-

- Business and Audit Committee
- Learning & Progress Committee
- Principals Review Committee
- Strategic Leadership Committee
- Pay & Review Committee

Connected Organisations, included Related Party Relationships

There are no connected organisations or related parties. The Academy participates informally where appropriate in local networks operating within the pyramid and Local Education Authority area.

Objectives and Activities

The principal object and activity of the charitable company is the operation of The Richmond Hill Primary Academy to provide education for pupils of different abilities between the ages of 4 and 11.

In accordance with the Articles of Association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education and Skills. The Scheme of Government specifies, amongst other things, the basis for admitting students to The Academy, and that the curriculums should comply with the substance of the national curriculum.

Vision Statement

Richmond Hill Primary Academy – United in Learning and Aspiring Together

The Aims of Richmond Hill Primary Academy

- Achieve high standards in as many aspects of Academy life as possible;
- Have a standard of behaviour which is exemplary;
- Set ourselves high standards and achieve our personal targets;
- To provide high quality education for all pupils, so that they may fulfil their roles as responsible citizens, in Academy and the wider community;
- Respect every person in our academy as well as ourselves;
- To encourage, respect and value other cultures and beliefs and become caring, confident and educated members of a multi-faith, multi-cultural society;
- To encourage all children to welcome new challenges, look for solutions and celebrate their own and others' success;
- To motivate and encourage children to become independent, confident learners;

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- To provide a holistic, broad, balanced, relevant and challenging accessible curriculum in which pupils will be encouraged to reach their full potential;
- To develop confidence in “trying” and aspiring (Better better best and the Ladder of Success);
- To work co-operatively with parents, carers and the local and wider community in order to provide the very best;
- To ensure the aims of the Academy are underpinned by a positive ethos and full entitlement to the whole curriculum by valuing each individual, regardless of race, gender, faith or ability;
- To offer every child, every chance, every day

Values

- Respect
- Tolerance
- Liberty
- Aspiration
- Independence
- Democracy
- Confidence
- Self-motivation and regulation

Objective, Strategies and Activities

Richmond Hill Primary Academy is an inclusive Academy providing a broad curriculum that takes into account children's varying learning styles and needs. Every child is expected to achieve his or her full potential and the Academy works very closely with parents/carers to achieve this.

To develop the capability of the school's leadership and management, to be achieved by the following actions:-

- Review all Academy policies to ensure they remain fit for purpose and are effectively implemented;
- Offer all members greater opportunity to work with the Directors and greater experience of financial planning;
- Review the Academy's current strengths and areas for development and identify training needs
- Review the Academy's timetabling and curriculum provision to best meet the needs of the students, within budget constraints;
- Audit the skills of teaching staff and plan to develop expertise and flexibility, to inform future recruitment requirements
- Review and improve Quality Assurance procedures
- Review and improve Reporting to Trustees

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To consolidate and extend the academic, pastoral and extra-curricular excellence, to be achieved by the following actions:-

- Review and improve procedures to ensure that controlled assessment, formative and summative are used to drive up performance
- Review staff developments and curriculum requirements in order to implement appropriate succession planning
- To showcase the Academy's talent and academic atmosphere widely through numerous events
- To manage rooms and facilities to better support the development of the curriculum, within timetabling constraints

To secure the future of the Academy and the prosperity of the Academy, to be achieved by the following actions:-

- Completion of Academy transition procedures successfully
- Establishment of a new Improvement plan
- To develop the roles of non-teaching personnel into key non-teaching roles within the Academy
- Exploration of the Academy's catchment area and with appropriate marketing and quality marketing materials
- Development of Academy's access to grant funding
- Sharing teaching and other shared resource opportunities with other schools
- To develop outreach into local primary schools and other academic community links
- Continue to develop the estate
- To consider further opportunities for growth as an Academy

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aim and objective in planning future activities.

The Trustees confirm that they have complied with the duty to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit". To advance for the public benefit education in the Sprotbrough region of Doncaster and the surrounding area, in particular, but without prejudice to the generality of the foregoing by estimating, maintaining, carrying on, managing and developing schools, offering a broad curriculum with a strong emphasis on, but in no way limited to either one or a combination of the specialisms. To provide facilities for recreational and their leisure time occupation for the community at large in the interest of social welfare and with the interest of improving the life of the said community.

Strategic Report

Achievement and Performance (based on 2014 data)

From a slightly low baseline, the children in Foundation make very good progress. Achievement in Key Stage 1 has exceeded national expected outcomes. Key Stage 2 results exceeded national expected outcomes across the board, with the exception of L5 Reading.

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Key Performance Indicators

Attainment across Foundation =, Key Stage 1 and Key Stage 2 at least good overall

Number of staff employed by the Academy and supporting pupils in teaching and in a variety of roles has increased.

Pupil's attendance exceeds national outcomes.

Ofsted 2012 – good with outstanding features

Going Concern

After making appropriate enquiries, the Board of Directors has 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 Accounting Policies note of the financial statements.

Financial Review

Most of the Academy's income is obtained from the EFA in the form of recurrent grants, the use which is restricted to particular purposes. The grants received from the EFA during the year ended 1 August 2015 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year, the Academy received total grant funding of £2,099,168.

The trustees consider an appropriate level of reserves to be in the order of 1-2 months' total expenditure, to insulate the Academy in the event of EFA funding becoming interrupted, and the carry forwards at 31 August 2015 is considered to be in line with that objective.

Reserves Policy

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

The Board of Trustees reviews the reserve levels of the Academy Trust annually at the year-end and as part of its budget planning Process. The review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of the reserves. Trustees determine what the level of uncommitted reserved should be. The aim is to provide sufficient working capital to cover delays between spending and the receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

As part of its monitoring of in-year financial performance the Board of Trustees reviewing the forecast impact on the reserves and considers this as part of its medium term financial planning. During the 2014-2015 the Board of Trustees planned to establish a reasonable level of general reserves at the year-end in order to enable it to both manage unforeseen emergencies and also to enable planned use to cover the medium term to lessen any budget shortfalls.

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Principal Risks and Uncertainties

Based on the strategic plan the Business Committee undertakes a comprehensive review of the risks to which the Academy is exposed. The committee identifies systems and procedures, including specific preventable actions which should mitigate any potential negative impact on the Academy.

The internal controls for managing risks deemed as medium and high are incorporated into annual risk management action plan. The effectiveness of the Academy's internal controls in managing the risks identified is regularly monitored

A thorough appraisal is undertaken in the subsequent year of the existing risk and any ongoing risks for example, those arising from changes to national funding policy and/or local circumstances. In addition to the annual review, the Business Committee will also consider any risks which arise during the year, for example, as a result of a new area of work being undertaken by the Academy.

A risk register, covering low, medium and high level risks, is maintained at Academy level. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academy and the actions being taken to reduce and mitigate the risks. Risks are prioritised as low, medium and high using a consistent scoring system.

The Academy's approach to risk management is supported by a risk management training programme which raises awareness of risk throughout the Academy. In addition the SLT incorporate risk management in their self-assessment reports and quality improvement plans.

Outlined below is a description of the principal risk factor that may affect the Academy. However not all factors are within the Academy's control and other factors besides those listed below may also adversely affect the Academy.

Government Funding

The Academy has considerable reliance on continued government funding through the Education Funding Agency (EFA) and the Local Authority.

The risk has and will be mitigated in a number of ways:-

- Funding is derived through a number of direct and indirect contractual arrangements
- Considerable focus and investment is placed on maintaining and managing key relationships with the various funding bodies

Ensuring the Academy is focused on those priority sectors which will continue to benefit from public funding:-

- Contingency planning embedded into the Academy budget process
- Maintain adequate funding of pension liabilities

The financial statements report the share of the local government pension scheme deficit on the Academy's balance sheet in line with the requirements of FRS17.

The Academy takes professional advice on this position and makes appropriate contributions on the basis of that advice to ensure the deficit does not become unmanageable.

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Pupil Strategy

The Academy seeks to maintain its popularity with current and prospective pupils by:-

- Ensuring the Academy delivers high quality education and training
- Maintaining outstanding success rates and good inspection outcomes
- Investing in its teaching staff and resources

With ongoing commitment to quality, the Academy now provides market-leading environments with state of the art technology and specialist resources.

This places the Academy in an excellent position to attract new pupils.

Plans for Future Periods

The Academy is seeking to exploit the opportunities afforded by conversion to Academy status. Initially by utilising increased financial resources and governance freedoms to improve further the standard of teaching and learning but also, importantly, to improve the school estate.

Funds held as Custodian Trustee on behalf of others

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

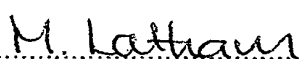
Auditor

Insofar as the Trustees are aware:-

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

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

Trustees' report, incorporating a strategic report, approved by order of the members of the Board of Directors on 18th November 2015 and signed on its behalf by:-

.....

Mrs M Latham
Chair of Trustees

RICHMOND HILL ACADEMY LIMITED
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Governance Statement

Scope of Responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' responsibilities. The Board of Directors has formally met 3 times during the year. Attendance during the year at meetings of the Board of Directors was as follows:-

| DIRECTOR | MEETINGS ATTENDED | OUT OF A POSSIBLE |
|-----------------|--------------------------|--------------------------|
| L Chambers | 3 | 3 |
| P Crawley | 2 | 3 |
| D Secker | 2 | 3 |
| J Foster | 3 | 3 |
| N Hair | 0 | 3 |
| M Latham | 3 | 3 |
| I McLaughlin | 3 | 3 |
| D Temperton | 3 | 3 |
| E Walker | 3 | 3 |

The Learning and Progress Committee is a sub-committee of the main Board of Directors. Its purpose is to ensure effective performance of Director responsibilities in relation to the planning and delivery of learning and support for pupils.

| DIRECTOR | MEETINGS ATTENDED | OUT OF A POSSIBLE |
|-----------------|--------------------------|--------------------------|
| P Crawley | 4 | 4 |
| D Secker | 3 | 4 |
| J Foster | 4 | 4 |
| N Hair | 3 | 4 |

The Principal's Review Committee is a sub-committee of the main Board of Directors. Its purpose is to arrange to meet with the External Advisor to discuss the Principals' performance targets.

| DIRECTOR | MEETINGS ATTENDED | OUT OF A POSSIBLE |
|-----------------|--------------------------|--------------------------|
| J Foster | 2 | 2 |
| M Latham | 1 | 2 |
| I McLaughlin | 2 | 2 |
| E Walker | 2 | 2 |

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The Pay and Review Committee is a sub-committee of the main Board of Directors. Its purpose is to use performance management systems to improve teaching, leadership and management.

| DIRECTOR | MEETINGS ATTENDED | OUT OF A POSSIBLE |
|-----------------|--------------------------|--------------------------|
| J Foster | 1 | 1 |
| M Latham | 1 | 1 |
| I McLaughlin | 1 | 1 |
| E Walker | 1 | 1 |

The Business and Management/Audit Committee is a sub-committee of the main Board of Directors. Its purpose is to manage the Academy's resources and finances efficiently and effectively. Attendance at the meetings in the year was as follows:-

| DIRECTOR | MEETINGS ATTENDED | OUT OF A POSSIBLE |
|-----------------|--------------------------|--------------------------|
| L Chambers | 6 | 6 |
| J Foster | 5 | 6 |
| I McLaughlin | 4 | 6 |
| D Secker | 4 | 6 |
| D Temperton | 6 | 6 |

The Strategic Leadership Committee is a sub-committee of the main Board of Directors. Its purpose is to co-ordinate the work of the Board of Directors, ensuring that there is appropriate support and challenge for the Principal and other Academy leaders and have the power to act on behalf of the Board of Directors in extra-ordinary circumstances.

| DIRECTOR | MEETINGS ATTENDED | OUT OF A POSSIBLE |
|-----------------|--------------------------|--------------------------|
| P Crawley | 5 | 6 |
| DJ Foster | 6 | 6 |
| M Latham | 6 | 6 |
| I McLaughlin | 6 | 6 |
| D Secker | 6 | 6 |
| D Temperton | 6 | 6 |
| E Walker | 6 | 6 |

Review of Value for Money

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year as follows.

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Review of Value for Money (continued)

The Board of Directors Approach

The Board of Directors is collectively responsible for the overall direction and strategic management of the Academy.

This involves determining the guiding principles within which the Academy operates and then making decisions about, for example:-

- How to improve and maintain excellent education results
- How to set spending priorities, and how best to consider and approve the budget
- How best to evaluate the effectiveness of spending decisions
- How to ensure the sound systems of internal control are in place

Improving and maintaining excellent education results

- Our diverse curriculum ensures all pupils have the opportunity to raise their individual levels of attainment
- We regularly review the staffing structure to ensure staff are efficiently deployed and are appropriately qualified and experienced, specialists and enthusiasts
- We also provide targeted support for students as appropriate
- We focus on the differing needs of every individual pupil. This is reflected in the outcomes for FSM pupils, Pupil Premium and Sports Premium monies have been allocated to optimal effect
- We have good tracking system to record all aspects of student data including progress and behaviour through the school. These systems help to ensure that interventions and support are targeted to achieve Value for Money.

Financial Governance and Oversight

The Academy Trust's system of internal financial control is based on a framework of regular management information and financial procedures which include the segregation of duties and a system of delegation and accountability. In addition, the Academy benefited from the provision provided by Duncan & Toplis Chartered Accountants in support of the Responsible Office Role.

The Business/Audit Committee is a committee of the main Board of Directors and has clear terms and reference which are reviewed annually.

The Business Management/Audit Committee and full Governing Body receive budget monitoring reports prior to each meeting held. Governors scrutinise the various reports and challenge where required any information, thus allowing a full and detailed decision making process.

The annual budget is approved by the Full Governing Body each year in accordance with the Academies Financial Handbook.

All Governors and staff are required to complete of register of business interests form annually.

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Review of Value for Money (continued)

Better Purchasing

The Academy has strong purchasing procedures in place, ensuring value for money comparisons for purchased items. Contracts and services are regularly appraised. The Trust purchases a commercial insurance package and also a staff absence insurance to ensure it has adequate cover to manage risks.

Maximising Income Generation

The Academy explores every opportunity with regard to application for grant funding. In 2014/2015 the Academy was successful in their bids to the Academies Capital Maintenance Fund for Life & Safety works and replacement of floor coverings. Regular maintenance and refurbishment to the fabric of the buildings is ensuring that an attractive and stimulating environment is provided for all pupils. There is a constant desire within the trust to improve through better systems that lead to better outcomes for pupils. Value for money is a key part of ensuring we are able to do this.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy's 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 Richmond Hill Primary Academy for the period of 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy 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 formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements and is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Directors
- Regular reviews by the Business & Management/Audit 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

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- Identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function has decided:-

- Not to appoint an internal auditor. However, the Trustees have appointed Duncan & Toplis Limited, as Responsible Officer (RO)

The RO's role includes giving advice on financial matters and performing a range of checks on the Academy trust's financial systems.

On a quarterly basis, the RO reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustee's financial responsibilities.

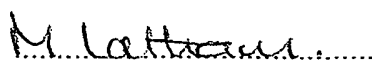
Review of Effectiveness

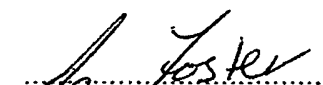
As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:-

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

The Accounting Officer has been advised on the implications of the result of their review of the system on internal control by the Business & Management/Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Directors on 18th November 2015 and signed on its behalf by:-


Mrs M Latham
Chair of Board of Directors


Mrs J Foster
Principal

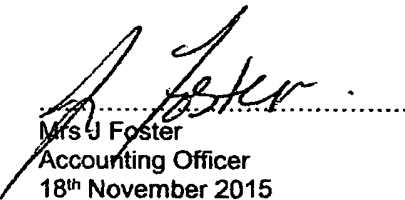
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(A company limited by guarantee)

Statement of Regularity, Propriety and Compliance

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

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

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


.....
Mrs J Foster
Accounting Officer
18th November 2015

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RICHMOND HILL PRIMARY ACADEMY LIMITED

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; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

Nicholas Cudmore FCA (Senior Statutory Auditor)

for and on behalf of

Duncan and Toplis Limited

Chartered Accountants and Statutory Auditors

15 Chequergate

Louth

Lincolnshire

LN11 0LJ

Date: 18 December 2015

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO RICHMOND HILL PRIMARY ACADEMY LIMITED AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 1 December 2014 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 Richmond Hill Primary Academy Limited 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 Richmond Hill Primary Academy Limited and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Richmond Hill Primary Academy Limited 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 Richmond Hill Primary Academy Limited and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF RICHMOND HILL PRIMARY ACADEMY LIMITED'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Richmond Hill Primary Academy Limited's funding agreement with the Secretary of State for Education dated 24 January 2014, 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.

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO RICHMOND
HILL PRIMARY ACADEMY LIMITED 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.

Nicholas Cudmore FCA (Senior Statutory Auditor)

Duncan and Toplis Limited

Chartered Accountants and Statutory Auditors

15 Chequergate
Louth
Lincolnshire
LN11 0LJ

Date: 18 December 2015.

RICHMOND HILL PRIMARY ACADEMY LIMITED
(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

| | Note | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Restricted fixed asset funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|--|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| INCOMING RESOURCES | | | | | | |
| Incoming resources from generated funds: | | | | | | |
| Voluntary income | 2 | - | 48,618 | - | 48,618 | 24,475 |
| Activities for generating funds | 3 | 104,375 | 7,820 | - | 112,195 | 66,506 |
| Investment income | 5 | 327 | - | - | 327 | 89 |
| Incoming resources from charitable activities | 6 | - | 1,652,843 | 446,325 | 2,099,168 | 953,667 |
| Other incoming resources | 7 | - | - | - | - | 2,241,127 |
| TOTAL INCOMING RESOURCES | | 104,702 | 1,709,281 | 446,325 | 2,260,308 | 3,285,864 |
| RESOURCES EXPENDED | | | | | | |
| Costs of generating funds: | | | | | | |
| Costs of generating voluntary income | 8 | 100,030 | - | - | 100,030 | - |
| Fundraising expenses and other costs | 4 | - | 2,850 | - | 2,850 | 2,346 |
| Funding for the Academy Trust's educational operations | | - | 1,644,387 | 69,379 | 1,713,766 | 1,063,328 |
| Governance costs | 10 | - | 53,005 | - | 53,005 | 49,479 |
| TOTAL RESOURCES EXPENDED | 13 | 100,030 | 1,700,242 | 69,379 | 1,869,651 | 1,115,153 |
| NET INCOMING RESOURCES BEFORE REVALUATIONS | | 4,672 | 9,039 | 376,946 | 390,657 | 2,170,711 |

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Restricted fixed asset funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|---|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Note | | | | | |
| Actuarial gains and losses on defined benefit pension schemes | - | (25,000) | - | (25,000) | (68,000) |
| NET MOVEMENT IN FUNDS FOR THE YEAR | 4,672 | (15,961) | 376,946 | 365,657 | 2,102,711 |
| <i>Total funds at 1 September 2014</i> | - | (536,583) | 2,639,294 | 2,102,711 | - |
| TOTAL FUNDS AT 31 AUGUST 2015 | 4,672 | (552,544) | 3,016,240 | 2,468,368 | 2,102,711 |

All activities relate to continuing operations.

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

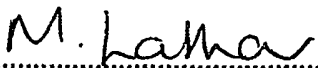
The notes on pages 26 to 48 form part of these financial statements.

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 08820308

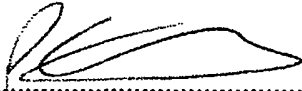
BALANCE SHEET
AS AT 31 AUGUST 2015

| | Note | £ | 2015 £ | £ | 2014 £ |
|---|------|------------------|------------------|------------------|------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 20 | | 2,808,864 | | 2,648,095 |
| CURRENT ASSETS | | | | | |
| Debtors | 21 | 56,139 | | 59,070 | |
| Cash at bank and in hand | | 404,766 | | 100,340 | |
| | | <u>460,905</u> | | <u>159,410</u> | |
| CREDITORS: amounts falling due within one year | 22 | (159,401) | | (108,794) | |
| NET CURRENT ASSETS | | | 301,504 | | 50,616 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 3,110,368 | | 2,698,711 |
| Defined benefit pension scheme liability | 29 | | (642,000) | | (596,000) |
| NET ASSETS INCLUDING PENSION SCHEME LIABILITY | | | <u>2,468,368</u> | | <u>2,102,711</u> |
| FUNDS OF THE ACADEMY | | | | | |
| Restricted funds: | | | | | |
| Restricted funds | 23 | 89,456 | | 59,417 | |
| Restricted fixed asset funds | 23 | 3,016,240 | | 2,639,294 | |
| | | <u>3,105,696</u> | | <u>2,698,711</u> | |
| Restricted funds excluding pension liability | | | | | |
| Pension reserve | | (642,000) | | (596,000) | |
| | | <u></u> | | <u></u> | |
| Total restricted funds | | | 2,463,696 | | 2,102,711 |
| Unrestricted funds | 23 | | 4,672 | | - |
| TOTAL FUNDS | | | <u>2,468,368</u> | | <u>2,102,711</u> |


The financial statements were approved by the Trustees, and authorised for issue, on 18 November 2015 and are signed on their behalf, by:



Mrs M Latham
 Chair of Trustees



Mr P Crawley
 Trustee



Mrs E Walker
 Trustee

The notes on pages 26 to 48 form part of these financial statements.

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

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

| | | 31 August 2015 £ | <i>Period ended 31 August 2014 £</i> |
|--|----|---------------------------------|--|
| Net cash flow from operating activities | 25 | 87,922 | 10,242 |
| Returns on investments and servicing of finance | 26 | 327 | 89 |
| Capital expenditure and financial investment | 26 | 216,177 | (1,792) |
| Cash transferred on conversion to an academy trust | | - | 91,801 |
| INCREASE IN CASH IN THE YEAR | | <u><u>304,426</u></u> | <u><u>100,340</u></u> |

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

| | 31 August 2015 £ | <i>Period ended 31 August 2014 £</i> |
|--|---------------------------------|--|
| Increase in cash in the year | <u>304,426</u> | <u>100,340</u> |
| MOVEMENT IN NET FUNDS IN THE YEAR | <u>304,426</u> | <u>100,340</u> |
| Net funds at 1 September 2014 | <u>100,340</u> | <u>-</u> |
| NET FUNDS AT 31 AUGUST 2015 | <u><u>404,766</u></u> | <u><u>100,340</u></u> |

The notes on pages 26 to 48 form part of these financial statements.

RICHMOND HILL PRIMARY ACADEMY LIMITED
(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 Company status

The Academy is a company limited by guarantee. The members of the company are the Trustees named on page 9. In the event of the Academy being wound up, the liability in respect of the guarantee is limited to £10 per member of the Academy.

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.

Investment income, gains and losses are allocated to the appropriate fund.

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.

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

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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.

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.6 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.

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.7 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.

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

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

| | | |
|---------------------------|---|-------------------|
| L/Term Leasehold Property | - | 2% Straight line |
| Fixtures and fittings | - | 20% Straight line |
| Computer equipment | - | 33% Straight line |

1.8 Operating leases

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

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

1.9 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.

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.10 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 29, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

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

2. VOLUNTARY INCOME

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|-------------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Parental contribution to trips etc. | - | 48,618 | 48,618 | 24,475 |

3. ACTIVITIES FOR GENERATING FUNDS

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|--------------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Catering income | 38,099 | - | 38,099 | 31,392 |
| Receipts from staff insurance claims | - | 5,755 | 5,755 | 5,856 |
| Other income - clubs | 66,276 | 2,065 | 68,341 | 29,258 |
| | <u>104,375</u> | <u>7,820</u> | <u>112,195</u> | <u>66,506</u> |

4. TRADING ACTIVITIES

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|---|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Fundraising trading expenses | | | | |
| Goods for resale | - | 2,157 | 2,157 | 2,240 |
| Other expenses | - | 693 | 693 | 106 |
| | <u>-</u> | <u>2,850</u> | <u>2,850</u> | <u>2,346</u> |
| Net expenditure from trading activities | - | (2,850) | (2,850) | (2,346) |

5. INVESTMENT INCOME

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|-----------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Bank account interest | 327 | - | 327 | 89 |

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

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

6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|--|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Funding for the Academy's educational operations | - | 2,099,168 | 2,099,168 | 953,667 |

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

| | Unrestricted funds 2015 | Restricted funds 2015 | Total funds 2015 | Total funds 2014 |
|--------------------------------|-------------------------------|-----------------------------|------------------------|------------------------|
| DfE/EFA revenue grants | | | | |
| General Annual Grant (GAG) | - | 1,371,498 | 1,371,498 | 799,241 |
| Start Up Grant | - | - | - | 25,000 |
| Pupil Premium | - | 76,170 | 76,170 | 43,814 |
| Other DfE/EFA Revenue grants | - | 67,303 | 67,303 | 3,730 |
| Devolved Formula Capital grant | - | 446,325 | 446,325 | 8,556 |
| | - | 1,961,296 | 1,961,296 | 880,341 |
| Other government grants | | | | |
| SEN 1-1 Funding | - | 9,177 | 9,177 | 9,430 |
| Early Years funding | - | 120,045 | 120,045 | 62,396 |
| Other government grants | - | 4,000 | 4,000 | 1,500 |
| | - | 133,222 | 133,222 | 73,326 |
| Other funding | | | | |
| IT Support | - | 4,650 | 4,650 | - |
| | - | 4,650 | 4,650 | - |
| | - | 2,099,168 | 2,099,168 | 953,667 |

7. OTHER INCOMING RESOURCES

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Transfer on conversion | - | - | - | 2,241,127 |

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

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

8. COSTS OF GENERATING VOLUNTARY INCOME

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|-----------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Direct costs - Fundraising | 29,337 | - | 29,337 | - |
| Support costs - Fundraising | 70,693 | - | 70,693 | - |
| | <u>100,030</u> | <u>-</u> | <u>100,030</u> | <u>-</u> |

9. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|--|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Funding for the Academy's educational operations | - | 1,713,766 | 1,713,766 | 1,063,328 |

SUMMARY BY EXPENDITURE TYPE

| | Staff costs 2015 £ | Depreciation 2015 £ | Other costs 2015 £ | Total 2015 £ | Total 2014 £ |
|--|--------------------------|---------------------------|--------------------------|--------------------|--------------------|
| Funding for the Academy's educational operations | 1,238,677 | 69,379 | 405,710 | 1,713,766 | 1,063,328 |

10. GOVERNANCE COSTS

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|--------------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Governance Auditors' remuneration | - | 7,500 | 7,500 | 7,500 |
| Governance Auditors' non audit costs | - | 1,800 | 1,800 | 1,800 |
| Legal and professional fees | - | 40,322 | 40,322 | 29,931 |
| Personnel fees | - | 3,383 | 3,383 | 10,248 |
| | <u>-</u> | <u>53,005</u> | <u>53,005</u> | <u>49,479</u> |

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

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

11. DIRECT COSTS

| | Fundraising costs £ | Funding for the Academy's educational operations £ | Total 2015 £ | Total 2014 £ |
|-------------------------|---------------------------|---|--------------------|--------------------|
| Educational supplies | 545 | 77,642 | 78,187 | 19,472 |
| Technology costs | - | 2,159 | 2,159 | 13,761 |
| Staff development | - | 17,781 | 17,781 | 8,888 |
| Educational consultancy | - | - | - | 1,600 |
| Other costs | - | 11,752 | 11,752 | 9,403 |
| Wages and salaries | 26,500 | 878,076 | 904,576 | 539,229 |
| National insurance | 436 | 54,321 | 54,757 | 31,796 |
| Pension cost | 1,856 | 143,257 | 145,113 | 78,137 |
| Depreciation | - | 69,379 | 69,379 | 34,579 |
| | <u>29,337</u> | <u>1,254,367</u> | <u>1,283,704</u> | <u>736,865</u> |

12. SUPPORT COSTS

| | Fundraising costs £ | Funding for the Academy's educational operations £ | Total 2015 £ | Total 2014 £ |
|---------------------------------------|---------------------------|---|--------------------|--------------------|
| FRS17 pension net finance cost | - | 21,000 | 21,000 | 14,000 |
| Technology costs | - | 10,014 | 10,014 | 25,539 |
| Maintenance of premises and equipment | - | 23,341 | 23,341 | 35,198 |
| Cleaning | - | 55,346 | 55,346 | 36,082 |
| Rent and rates | - | 23,542 | 23,542 | 9,514 |
| Energy costs | - | 32,710 | 32,710 | 13,628 |
| Insurance | - | 37,970 | 37,970 | 20,482 |
| Security | - | - | - | 419 |
| Telephone, postage and stationery | 60 | 16,864 | 16,924 | 5,423 |
| Catering | 54,076 | 44,916 | 98,992 | 66,427 |
| Other costs | 249 | 30,523 | 30,772 | 9,132 |
| Bank interest and charges | - | 24 | 24 | - |
| Operating leases - other | - | 126 | 126 | 559 |
| Wages and salaries | 16,218 | 138,161 | 154,379 | 79,838 |
| National insurance | 90 | 6,576 | 6,666 | 3,196 |
| Pension cost | - | 18,286 | 18,286 | 7,026 |
| | <u>70,693</u> | <u>459,399</u> | <u>530,092</u> | <u>326,463</u> |

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

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

13. RESOURCES EXPENDED

| | Staff costs | Non Pay Premises | Expenditure Other costs | Total | Total |
|--|------------------|------------------|-------------------------|------------------|------------------|
| | 2015 | 2015 | 2015 | 2015 | 2014 |
| | £ | £ | £ | £ | £ |
| Costs of generating voluntary income | 45,100 | - | 54,930 | 100,030 | - |
| Fundraising expenses | - | - | 2,850 | 2,850 | 2,346 |
| Costs of generating funds | 45,100 | - | 57,780 | 102,880 | 2,346 |
| Funding for the Academy's educational operations | 1,075,654 | 55,278 | 123,435 | 1,254,367 | 736,865 |
| Support costs - Funding for the Academy's educational operations | 163,023 | 56,252 | 240,124 | 459,399 | 326,463 |
| Charitable activities | 1,238,677 | 111,530 | 363,559 | 1,713,766 | 1,063,328 |
| Governance | - | - | 53,005 | 53,005 | 49,479 |
| | 1,283,777 | 111,530 | 474,344 | 1,869,651 | 1,115,153 |

14. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

| | Activities undertaken directly | Support costs | Total | Total |
|--|--------------------------------|---------------|-----------|-----------|
| | 2015 | 2015 | 2015 | 2014 |
| | £ | £ | £ | £ |
| Funding for the Academy's educational operations | 1,254,367 | 459,399 | 1,713,766 | 1,063,328 |

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15. NET INCOMING RESOURCES

This is stated after charging:

| | 31 August 2015 £ | <i>Period ended 31 August 2014 £</i> |
|--|---------------------------------|--|
| Depreciation of tangible fixed assets: | | |
| - owned by the charity | 69,379 | 34,579 |
| Auditors' remuneration | 7,500 | 7,500 |
| | <u>76,879</u> | <u>42,079</u> |

16. STAFF

a. Staff costs

Staff costs were as follows:

| | 31 August 2015 £ | <i>Period ended 31 August 2014 £</i> |
|-------------------------------|---------------------------------|--|
| Wages and salaries | 1,047,638 | 564,281 |
| Social security costs | 61,423 | 34,992 |
| Other pension costs (Note 29) | 163,399 | 85,163 |
| | <u>1,272,460</u> | <u>684,436</u> |
| Supply teacher costs | 11,317 | 54,786 |
| | <u>1,283,777</u> | <u>739,222</u> |

b. Staff numbers

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

| | 31 August 2015 No. | <i>Period ended 31 August 2014 No.</i> |
|----------------------------|-----------------------------------|--|
| Teachers | 16 | 16 |
| Support and administration | 24 | 23 |
| Management | 4 | 1 |
| | <u>44</u> | <u>40</u> |

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16. STAFF (continued)

c. Higher paid staff

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

| | 31 August 2015 No. | <i>Period ended 31 August 2014 No.</i> |
|-------------------------------|-----------------------------------|--|
| In the band £70,001 - £80,000 | <u>1</u> | <u>0</u> |

The above employees earning more than £60,000 per annum participated in the Teachers' Pension Scheme. During the period ended 31 August 2015, pension contributions for the members of staff amounted to £11,262.

17. TRUSTEES' REMUNERATION AND EXPENSES

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

| | 31 August 2015 £'000 | <i>Period ended 31 August 2014 £'000</i> |
|-------------------------------------|-------------------------------------|--|
| Mrs S Eardley- remuneration | | 35-40 |
| Pension | | 45-50 |
| Ms D Temperton- remuneration | 40-45 | 20-25 |
| Pension | 5-10 | |
| Mrs J Foster- remuneration | 75-80 | 45-50 |
| Pension | 10-15 | |
| Mrs D Eyvbowho-secker- remuneration | 45-50 | |
| Pension | 5-10 | |

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

During the year ended 31 August 2015, expenses totalling £126 (2014 - £NIL) were reimbursed to 1 Trustee (2014 - £Nil).

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18. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2015 was £436 (2014 - £310). The cost of this insurance is included in the total insurance cost.

19. OTHER FINANCE INCOME

| | 31 August 2015 £ | <i>Period ended 31 August 2014 £</i> |
|--|---------------------------------|--|
| Expected return on pension scheme assets | 10,000 | <i>3,000</i> |
| Interest on pension scheme liabilities | (31,000) | <i>(17,000)</i> |
| | <u>(21,000)</u> | <i><u>(14,000)</u></i> |

20. TANGIBLE FIXED ASSETS

| | Long Leasehold Property £ | Fixtures and fittings £ | Office equipment £ | Total £ |
|-----------------------|--|--|-----------------------------------|-------------------------|
| Cost | | | | |
| At 1 September 2014 | 2,654,000 | 4,100 | 24,574 | 2,682,674 |
| Additions | 223,895 | - | 6,253 | 230,148 |
| At 31 August 2015 | <u>2,877,895</u> | <u>4,100</u> | <u>30,827</u> | <u>2,912,822</u> |
| Depreciation | | | | |
| At 1 September 2014 | 29,633 | 478 | 4,468 | 34,579 |
| Charge for the year | 55,278 | 820 | 13,281 | 69,379 |
| At 31 August 2015 | <u>84,911</u> | <u>1,298</u> | <u>17,749</u> | <u>103,958</u> |
| Net book value | | | | |
| At 31 August 2015 | <u>2,792,984</u> | <u>2,802</u> | <u>13,078</u> | <u>2,808,864</u> |
| At 31 August 2014 | <u>2,624,367</u> | <u>3,622</u> | <u>20,106</u> | <u>2,648,095</u> |

Included in land and buildings is leasehold land valued at £114,000 (2014: £114,000) which is not depreciated.

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21. DEBTORS

| | 2015 £ | 2014 £ |
|--------------------------------|---------------|---------------|
| Other debtors | 38,220 | 30,323 |
| Prepayments and accrued income | 5,549 | 16,730 |
| Grants Receivable | 12,370 | 12,017 |
| | <u>56,139</u> | <u>59,070</u> |

22. CREDITORS:
Amounts falling due within one year

| | 2015 £ | 2014 £ |
|------------------------------|----------------|----------------|
| Trade creditors | 45,996 | 23,456 |
| Accruals and deferred income | 113,405 | 85,338 |
| | <u>159,401</u> | <u>108,794</u> |

Deferred income

| | |
|--------------------------------------|---------------|
| Deferred income at 1 September 2014 | 32,601 |
| Resources deferred during the year | 34,032 |
| Amounts released from previous years | (32,601) |
| Deferred income at 31 August 2015 | <u>34,032</u> |

At the balance sheet date the Academy Trust was holding funds received in advance for a grant relating to the following academic year.

23. STATEMENT OF FUNDS

| | Brought Forward £ | Incoming resources £ | Resources Expended £ | Gains/ (Losses) £ | Carried Forward £ |
|---------------------------|-------------------------|----------------------------|----------------------------|-------------------------|-------------------------|
| Unrestricted funds | | | | | |
| Unrestricted funds | - | 104,702 | (100,030) | - | 4,672 |

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23. STATEMENT OF FUNDS (continued)

Restricted funds

| | | | | | |
|----------------------------|------------------|------------------|--------------------|-----------------|------------------|
| General Annual Grant (GAG) | 43,399 | 1,371,498 | (1,337,608) | - | 77,289 |
| Other DfE/EFA grants | 7,204 | 148,124 | (148,761) | - | 6,567 |
| Government grants | - | 133,222 | (133,222) | - | - |
| Other income | - | 54,372 | (53,825) | - | 547 |
| School fund | 8,814 | 2,065 | (5,826) | - | 5,053 |
| Pension reserve | (596,000) | - | (21,000) | (25,000) | (642,000) |
| | <u>(536,583)</u> | <u>1,709,281</u> | <u>(1,700,242)</u> | <u>(25,000)</u> | <u>(552,544)</u> |

Restricted fixed asset funds

| | | | | | |
|---------------------------------------|------------------|------------------|--------------------|-----------------|------------------|
| DfE/EFA capital grants | - | 446,325 | (4,478) | - | 441,847 |
| Capital expenditure from GAG | 164 | - | (55) | - | 109 |
| Capital expenditure from other income | 2,639,130 | - | (64,846) | - | 2,574,284 |
| | <u>2,639,294</u> | <u>446,325</u> | <u>(69,379)</u> | <u>-</u> | <u>3,016,240</u> |
| Total restricted funds | <u>2,102,711</u> | <u>2,155,606</u> | <u>(1,769,621)</u> | <u>(25,000)</u> | <u>2,463,696</u> |
| Total of funds | <u>2,102,711</u> | <u>2,260,308</u> | <u>(1,869,651)</u> | <u>(25,000)</u> | <u>2,468,368</u> |

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

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

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

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

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

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

The pension reserve arises from the actuarial measurement of the Academy's share of the Local Government Pension Scheme deficit. This deficit is recorded as a provision. The actuarial cost of employing staff during the year is initially reflected in the normal running costs of the school in the restricted pension fund. The amount included in resources expended represents the pension cost for the year charged to income and expenditure that arises from actuarial calculations of service cost rather than employer contributions paid, and amounts to £21,000. Actuarial gains and losses that arise from changes in assumptions by the actuary or wider influences are shown in the restricted pension fund, the movement this year being a net £25,000 actuarial increase in the net pension fund deficit.

Restricted fixed asset funds represent monies received in respect of and spent on fixed assets. This

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23. STATEMENT OF FUNDS (continued)

includes assets inherited on conversion. The total of resources expended within this fund include the depreciation charge for the year. The transfers figure is the amount of other funds used to acquire fixed assets.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

SUMMARY OF FUNDS

| | Brought Forward £ | Incoming resources £ | Resources Expended £ | Gains/ (Losses) £ | Carried Forward £ |
|------------------------------|-------------------------|----------------------------|----------------------------|-------------------------|-------------------------|
| General funds | - | 104,702 | (100,030) | - | 4,672 |
| Restricted funds | (536,583) | 1,709,281 | (1,700,242) | (25,000) | (552,544) |
| Restricted fixed asset funds | 2,639,294 | 446,325 | (69,379) | - | 3,016,240 |
| | <u>2,102,711</u> | <u>2,260,308</u> | <u>(1,869,651)</u> | <u>(25,000)</u> | <u>2,468,368</u> |

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Restricted fixed asset funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|--|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Tangible fixed assets | - | - | 2,808,864 | 2,808,864 | 2,648,095 |
| Current assets | 4,672 | 198,227 | 258,006 | 460,905 | 159,410 |
| Creditors due within one year | - | (108,771) | (50,630) | (159,401) | (108,794) |
| Provisions for liabilities and charges | - | (642,000) | - | (642,000) | (596,000) |
| | <u>4,672</u> | <u>(552,544)</u> | <u>3,016,240</u> | <u>2,468,368</u> | <u>2,102,711</u> |

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25. NET CASH FLOW FROM OPERATING ACTIVITIES

| | 31 August 2015 £ | <i>Period ended 31 August 2014 £</i> |
|---|------------------------|--|
| Net incoming resources before revaluations | 390,657 | 2,170,711 |
| Returns on investments and servicing of finance | (327) | (89) |
| Transfer on conversion to an Academy | - | (2,241,127) |
| Depreciation of tangible fixed assets | 69,379 | 34,579 |
| Capital grants from DfE | (446,325) | (8,556) |
| Decrease/(increase) in debtors | 2,931 | (59,070) |
| Increase in creditors | 50,607 | 108,794 |
| FRS 17 adjustments | 21,000 | 5,000 |
| Net cash inflow from operations | 87,922 | 10,242 |

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

| | 31 August 2015 £ | <i>Period ended 31 August 2014 £</i> |
|--|------------------------|--|
| Returns on investments and servicing of finance | | |
| Interest received | 327 | 89 |
| Capital expenditure and financial investment | | |
| Purchase of tangible fixed assets | (230,148) | (10,348) |
| Capital grants from DfE | 446,325 | 8,556 |
| Net cash inflow/(outflow) capital expenditure | 216,177 | (1,792) |

27. ANALYSIS OF CHANGES IN NET FUNDS

| | 1 September 2014 £ | Cash flow £ | Other non-cash changes £ | 31 August 2015 £ |
|---------------------------|-----------------------------|----------------|-----------------------------------|------------------------|
| Cash at bank and in hand: | 100,340 | 304,426 | - | 404,766 |
| Net funds | 100,340 | 304,426 | - | 404,766 |

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**NOTES TO THE FINANCIAL STATEMENTS
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28. CONTINGENT LIABILITIES

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

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

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

29. 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 South Yorkshire Pension Fund. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2010.

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

Teachers' Pension Scheme

Introduction

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

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

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

Valuation of the Teachers' Pension Scheme

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

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29. PENSION COMMITMENTS (continued)

contributions totalled £73,000 and employees' contributions totalled £20,000. The agreed contribution rates for future years are 22%% for employers and 5.5% to 12.5% 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 | 6.50 | 140,000 | 7.00 | 87,000 |
| Government bonds | 2.50 | 34,000 | 3.40 | 18,000 |
| Other bonds | 3.60 | 14,000 | 4.40 | 9,000 |
| Property | 6.10 | 27,000 | 6.20 | 15,000 |
| Cash/liquidity | 0.50 | 4,000 | 0.50 | 3,000 |
| Other | 6.50 | 17,000 | 7.00 | 9,000 |
| Total market value of assets | | <u>236,000</u> | | <u>141,000</u> |
| Present value of scheme liabilities | | <u>(878,000)</u> | | <u>(737,000)</u> |
| Deficit in the scheme | | <u><u>(642,000)</u></u> | | <u><u>(596,000)</u></u> |

The amounts recognised in the Balance sheet are as follows:

| | 31 August 2015 £ | Period ended 31 August 2014 £ |
|-------------------------------------|---------------------------------|--|
| Present value of funded obligations | (878,000) | (737,000) |
| Fair value of scheme assets | <u>236,000</u> | <u>141,000</u> |
| Net liability | <u><u>(642,000)</u></u> | <u><u>(596,000)</u></u> |

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29. PENSION COMMITMENTS (continued)

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

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

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

Teachers' Pension Scheme Changes

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

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

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

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

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £93,000, of which employer's

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29. PENSION COMMITMENTS (continued)

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

| | 31 August 2015 £ | <i>Period ended 31 August 2014 £</i> |
|----------------------------------|---------------------------------|--|
| Current service cost | (73,000) | (34,000) |
| Interest on obligation | (31,000) | (17,000) |
| Expected return on scheme assets | 10,000 | 3,000 |
| Past service cost | (1,856) | - |
| | <u>(95,856)</u> | <u>(48,000)</u> |
| Total | <u>(95,856)</u> | <u>(48,000)</u> |
| Actual return on scheme assets | <u>4,000</u> | <u>9,000</u> |

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

| | 31 August 2015 £ | <i>Period ended 31 August 2014 £</i> |
|--------------------------------------|---------------------------------|--|
| Opening defined benefit obligation | 737,000 | 603,000 |
| Current service cost | 73,000 | 34,000 |
| Interest cost | 31,000 | 17,000 |
| Contributions by scheme participants | 20,000 | 10,000 |
| Actuarial Losses | 19,000 | 73,000 |
| Benefits paid | (2,000) | - |
| | <u>878,000</u> | <u>737,000</u> |
| Closing defined benefit obligation | <u>878,000</u> | <u>737,000</u> |

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29. PENSION COMMITMENTS (continued)

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

| | 31 August 2015 £ | <i>Period ended 31 August 2014 £</i> |
|-------------------------------------|---------------------------------|--|
| Opening fair value of scheme assets | 141,000 | 80,000 |
| Expected return on assets | 10,000 | 3,000 |
| Actuarial gains and (losses) | (6,000) | 5,000 |
| Contributions by employer | 73,000 | 43,000 |
| Contributions by employees | 20,000 | 10,000 |
| Benefits paid | (2,000) | - |
| | <u>236,000</u> | <u>141,000</u> |

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £43,000 (2014 - £NIL).

The Academy expects to contribute £76,000 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 | 59.40 % | 61.20 % |
| Government bonds | 14.30 % | 13.10 % |
| Other bonds | 5.90 % | 6.60 % |
| Property | 11.50 % | 10.80 % |
| Cash/liquidity | 1.80 % | 1.80 % |
| Other | 7.10 % | 6.50 % |

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

| | 2015 | 2014 |
|--|-------------|-------------|
| Discount rate for scheme liabilities | 4.00 % | 4.00 % |
| Rate of increase in salaries | 4.05 % | 3.95 % |
| Rate of increase for pensions in payment / inflation | 2.30 % | 2.20 % |
| Inflation assumption (CPI) | 2.30 % | 2.20 % |

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 | 23 | 22.9 |
| Females | 25.6 | 25.5 |
| Retiring in 20 years | | |
| Males | 25.3 | 25.2 |
| Females | 28.4 | 28.3 |

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29. PENSION COMMITMENTS (continued)

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

Defined benefit pension schemes

| | 2015 £ | 2014 £ | 2013 £ |
|--|-----------|-----------|-----------|
| Defined benefit obligation | (878,000) | (737,000) | (952,000) |
| Scheme assets | 236,000 | 141,000 | 468,000 |
| Deficit | (642,000) | (596,000) | (484,000) |
| Experience adjustments on scheme liabilities | (19,000) | (73,000) | - |
| Experience adjustments on scheme assets | (6,000) | 5,000 | - |

Sensitivity Analysis

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

| | 0.1% Inc. p.a. Discount Rate £ | 0.1% Inc. p.a. in Inflation £ | 1 year increase in life expectancy £ |
|---|--|--|--|
| Liabilities | 858,000 | 898,000 | 893,000 |
| Assets | (236,000) | (236,000) | (236,000) |
| Deficit/(Surplus) | 662,000 | 662,000 | 657,000 |
| Projected Service Cost for next year | 73,000 | 78,000 | 77,000 |
| Projected Expected Return on Assets for next year | (14,000) | (14,000) | (14,000) |
| Projected Interest Cost for next year | 37,000 | 38,000 | 38,000 |

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FOR THE YEAR ENDED 31 AUGUST 2015

30. 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.

During the year the academy procured human resources services to the value of £6,479 (2014 : £971) from Advanced HR Solutions Limited, a company in which Mrs Ellen Walker is a shareholder. The trustees are currently undergoing a review of this arrangement to ensure it meets the requirements of para 3.2.2 of the EFA Academies Financial Handbook with regard to such dealings being at no more than cost. The balance owing to Advanced HR Solutions at the balance sheet date was £Nil.

The academy also procured catering and related services to the value of £2,378 (2014: £Nil) from Parti Animals, a business owned by Mrs Lynsey Chambers. The balance owing to Parti Animals at the balance sheet date was £Nil.

31. CONTROLLING PARTY

The Trustees as a body have ultimate control of the Academy. There is no individual controlling party.