

Company Registration No. 07865850 (England and Wales)

ST EDMUND'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2014

ST EDMUND'S SCHOOL

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 10
Governance statement	11 - 14
Statement on regularity, propriety and compliance	15
Statement of trustees' responsibilities	16
Independent auditor's report on the accounts	17 - 18
Independent reporting accountant's report on regularity	19 - 20
Statement of financial activities	21
Balance sheet	22
Cash flow statement	23
Notes to the accounts	24 - 42

ST EDMUND'S SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Mr N Owen (Resigned 24 July 2014)
Mr M Jones (Chairman) *
Miss S Busby (Headteacher/Accounting Officer) *
Mrs K Waters *
Mr G Wishart (Resigned 12 March 2014) *
Mrs S McKinley (Resigned 9 July 2014)
Dr A Banks (Resigned 13 October 2014)
The Revd Canon D Linaker
Miss L Knapp
Mr A Shield (Co-Vice Chair (moved committees 5 February 2014))
(Resigned 23 June 2014) *
Mr J Squire *
Mrs M Bacon (Resigned 6 February 2014)
Mrs V Townsend
Mr J Baxter-Brown (Resigned 11 December 2013)
Mrs E Liversage
Mrs C Reavill (Sole-Vice Chair from 23 June 2014)
Mrs L Aldridge (Appointed 2 September 2013) *
Mr K Grimsley (Appointed 2 September 2013 and resigned 31 May 2014)
Mr D Henry (Appointed 10 March 2014) *
Miss K Holes (Appointed 19 September 2014)
Mrs R Maidment (Appointed 10 March 2014)
Mrs J Oliver (Appointed 10 March 2014)
Mrs B Simkin-Park (Appointed 11 December 2013)
Mrs E Adams (Appointed 3 September 2014)
Dr H Adams (Appointed 3 September 2014)
Rev M Earwicker (Appointed 3 September 2014)

* members of the finance, premises and audit committee

Members

Mr M Jones
The Revd Canon D Linaker
Mr N Owen (until 16 October 2013)
Mrs C Reavill (from 16 October 2013)
Mr G Wishart (until 12 March 2014)
Mrs E Liversage (from 17 November 2014)

Senior management team

- Headteacher	Miss S Busby
- Deputy Headteacher	Mr A Henderson
- Assistant Headteacher	Mrs N Bull
- Assistant Headteacher	Mrs S Smith
- Assistant Headteacher	Mr B Burley
- School Business Manager	Mrs F Inman

Company secretary

Mr J Inman

ST EDMUND'S SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Company registration number	07865850 (England and Wales)
Registered office	Church Road Laverstock Salisbury Wiltshire SP1 1RD
Independent auditor	Moore Stephens (South) LLP 33 The Clarendon Centre Salisbury Business Park Dairy Meadow Lane Salisbury Wiltshire SP1 2TJ
Bankers	Lloyds Bank Plc 38 Blue Boar Row Salisbury Wiltshire SP1 1DA
Solicitors	Stone King LLP 16 St John's Lane LONDON EC1M 4BS

ST EDMUND'S SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2014

The trustees present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2013 to 31 August 2014. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for girls aged 11 to 16 serving a catchment area in Salisbury. It has a pupil capacity of 840 and had a roll of 826 on 4th October 2012 and 845 on 3rd October 2013.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of St Edmund's School are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10.00, for the debts and liabilities contracted before they ceased to be a member.

Trustees' indemnities

Since the incorporation of the Charitable Company on 1st February 2012 the Trustees have been indemnified in respect of their legal liability for financial loss arising as a result of a negligent act, accidental error or omission in the course of their official duties. As explained in Note 10 of the Financial Statements the limit of this indemnity is £10 million.

ST EDMUND'S SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Method of recruitment and appointment or election of trustees

The processes for appointing or electing the various types of Trustees at St Edmund's School are as follows:

1) Foundation Trustees- The Salisbury Diocesan Board of Education is the appointing body for Foundation Trustees, and receives nominations via Parochial Church Councils. The Articles of Association require that one third of Trustees must be Foundation Trustees (ie eight Trustees).

In addition to their overall role as Trustees, the Foundation Trustees are appointed for the purpose of upholding the Trust Deed of St Edmund's School by ensuring that the school is distinctively Christian.

2) Parent Trustees– The Articles of Association require a minimum of 2 and a maximum of 6 Parent Trustees. Parents, including carers, of registered pupils at the School are eligible to stand as individuals for election as a Parent Trustee. Parents are informed of any vacancies via Home Contact (a web-based communication service), letters sent home and a notice on the School's website. They are elected by other parents at the School as individuals who are representative of the parental body. Suitable procedures have been put in place for the conduct of Parent Trustee elections.

If insufficient parents stand for election, the Board of Trustees may appoint Parent Trustees to bring their number up to that required by the Articles of Association. Such appointed Parent Trustees would preferentially be parents or carers of registered pupils at the School. If however no such parents are willing to undertake the role then the Board of Trustees can appoint any person who is the parent or carer of one or more School-age children.

3) Staff Trustees - Three Staff Trustees are elected by the School staff as individuals representative of the staff of the School. Both teaching and support staff paid to work at the School are eligible for staff governorship, with two elected from the teaching staff and one from the support staff. The Headteacher is an Ex-officio Trustee. All staff are contacted when a vacancy becomes available, and suitable procedures have been put in place for the conduct of Staff Trustee elections.

4) Additional Trustees– Five additional Trustees can be appointed by the Members of the Academy Trust. These Trustees can be people who live or work in the community served by the School, or people who live outside of the immediate area and who are committed to the good governance and success of the School.

Where appropriate, vacancies for additional Trustees will be posted on the School's website. Anyone expressing an interest will be asked to provide an appropriate Curriculum Vitae with their letter of application. Following an informal interview with the Chairman and Headteacher each application will be considered and voted on by the Members of the Academy Trust.

The Members of the Academy Trust may not appoint an employee of St Edmund's School as a Community Trustee if the number of Trustees employed by the School (including the Headteacher) would thereby exceed one third of the total number of Trustees.

5) Co-opted Trustees - The Board of Trustees may appoint up to 3 Co-opted Trustees. A Co-opted Trustee means a person who is appointed to be a Trustee by being co-opted by Trustees who have not themselves been so appointed.

ST EDMUND'S SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Policies and procedures adopted for the induction and training of trustees

The training and induction provided for new Trustees will depend on existing experience. Where necessary, induction will provide training on charity, educational, legal and financial matters. All new Trustees will be given a tour of the School and the chance to meet staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Induction tends to be done informally and is tailored specifically to the needs of the individual.

The Board of Trustees maintains a Service Level Agreement with Wiltshire Council's Governor Support service. This Agreement allows for any or all of the members of the Board of Trustees to attend any of the Governor training courses provided by Wiltshire Council. All new Trustees are expected to attend the New Governor Training day run by Wiltshire Governor Support.

All new Trustees are actively encouraged to take advantage of the Agreement so as to gain a better understanding of the role and responsibilities of being a School Trustee. Additionally, Trustees with specific roles within the Board of Trustees are strongly encouraged to undertake specific training.

Trustees also have access to training provided by Salisbury Diocesan Board of Education.

Organisational structure

St Edmund's School has a management structure of the Board of Trustees and a Senior Leadership Team led by the Headteacher.

The Board of Trustees is responsible for appointing the Headteacher, making major strategic decisions, setting general policy and adopting an annual budget.

The Headteacher is the Accounting Officer and is also responsible for the day to day running of the school.

The Trustees are responsible for the strategic management of the School, including strategic direction, annual budgets, senior staff appointments, policy changes etc. Operational management is the responsibility of the Headteacher and staff. The latter is carried out at a number of levels for example Senior Leadership Team, Subject Leaders, and Heads of Houses.

School policies are developed by senior members of the School's staff to reflect both the strategic direction agreed by the Trustees and also statutory requirements. These policies are approved and adopted by the Board of Trustees and implemented as procedures and systems by the Senior Leadership Team and other designated members of staff.

Connected organisations including related party relationships

Salisbury Diocesan Board of Education is a Member of the Academy Trust Company and owns the land and buildings.

Objectives and activities

Objects and aims

'Inspired to Achieve' - The principal aim of St Edmund's School is to provide high quality learning in a Christian context which helps all students to fulfil their academic potential as confident learners and good citizens.

ST EDMUND'S SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Objectives, strategies and activities

St Edmund's School aims to:

- provide high quality teaching that challenges students and equips them for life by encouraging enquiry, empathy, originality and creativity in a positive environment
- promote and recognise high standards of achievement
- foster successful relationships characterised by an understanding of others, tolerance, trust and self-respect
- develop physical and emotional health, as well as spirituality, morality and cultural understanding
- provide equality of opportunity for all.

All of these aims are achieved through the curriculum, enrichment activities and tutoring.

Key activities and targets for 2013-14 were to:

Ensure that every student in every class on every day experiences teaching and learning that is good or outstanding, through

- maximising teachers' capacity to 'inspire, motivate, and challenge students'
- ensuring lessons are planned to match the needs of all groups and individuals
- continuing to develop independent learning
- focusing on teacher standards for teachers, and link these securely to appraisal and the CPD programme.

Ensure that all students achieve or exceed their academic potential, through

- ensuring that student achievement is evaluated as outstanding for all groups
- enhancing learning opportunities through the use of new technologies and via the school student portal
- continuous development of an innovative and relevant curriculum that continues to raise individual learner and cohort attainment.

Ensure outstanding provision and progression routes for all students, through

- reviewing and adapting the Intervention Programme at KS4 for each cohort and creating a robust system of intervention at KS3
- non-teaching staff structure roles and responsibilities supporting outstanding provision
- improving the identification, monitoring and teaching of gifted and talented students
- continuing improvement of the quality of middle leadership across the School.

Achieve outstanding judgements in all four Ofsted categories, through

- evaluating and reviewing staffing structures and curriculum area organisation
- continuing to develop partnership with parents
- improving attendance of students year on year
- continuing to develop quality of assembly and worship for students
- the impact of outstanding governance on school improvement
- ensuring procedures and policy for safeguarding are robust and up-to-date
- continuing to develop the site and facilities for the benefit of all stakeholders
- making a significant contribution to the realisation of the 6th form vision for Laverstock and Salisbury as a whole
- strengthening St Edmund's association with Wyvern College.

ST EDMUND'S SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

School Development Plan Objectives for the lifetime of the current plan (2014-17)

- progress towards 100% of students achieving Grade C or higher in English and Maths
- Progress 8 attainment demonstrating a year on year increase
- 4 levels of progress demonstrating year on year increase
- attainment gap entirely closed
- Raiseonline 'green' in all areas
- 100% good or better teaching with 75% lessons outstanding
- CPD focus to ensure that, with new technologies, staff operate at the cutting edge of classroom practice
- 98% attendance across the school
- student welfare structures remain outstanding and represent best practice on safeguarding
- Social Media education makes progress towards eradication of cyber bullying
- succession planning for leadership at all levels to facilitate continuing improvement
- curriculum development supports the needs of all students, including collaboration activity and alternate provision
- non-teaching staff appraisal matches the ambition implicit for teaching staff
- strategic plan for site development to include successful capital bid to replace temporary classrooms
- ICT plan reflects the impact of new technologies on learning.

Public benefit

The key public benefit delivered by St Edmund's School is the maintenance and development of the high quality education provided by the School to girls aged 11 – 16 in Salisbury and the surrounding areas. In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Strategic report

Achievements and performance

St Edmund's School has high aspirations for its students and a drive for continuous improvement. The School's analysis of examination performance is thorough, using SISRA, a web based performance analysis tool, as a facilitator. The School achieved outstanding GCSE results for the third year running. Headline figures include:

	Actual 13/14	Target 13/14	Actual 12/13
5 A* - C GCSE including English and Maths	77%	74%	71%
5 A* – C GCSE (or equivalent)	85.4%	77.4%	86.5%
3 A* - A GCSE	38%	15%	39.2%
5 A* - A GCSE	18%	9%	
3 Levels of progress in English	96%	94%	92.5%
3 Levels of progress in Maths	86%	88%	84.6%
4 Levels of progress in English	71%	50%	
4 Levels of progress in Maths	30%	23%	
Total average capped 8 including English and Maths	345	260	
Attendance	94.52%	95%	92.67%

Key performance indicators

The key financial performance indicators are used by St Edmund's to monitor progress against the School Development Plan, whilst monitoring the net incoming and outgoing resources for the year, prior to any depreciation charge and other recognised gains and losses. St Edmund's complies with all terms and conditions of its Funding Agreement.

ST EDMUND'S SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board of Trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The majority of the School's income is obtained from the Education Funding Agency (EFA) in the form of its General Annual Grant (GAG), the use of which is restricted to particular purposes; ie the objects of the Academy Trust. The GAG received during the period covered by this Report and the associated expenditure are shown as restricted funds in the Statement of Financial Activities (SOFA) .

St Edmund's School received a grant from the Academies Capital Maintenance Fund between 1st September 2013 and 31st August 2014. This grant was for the refurbishment of the science block, and the majority of the work was completed by 31st August 2014.

In addition the School has received Devolved Formula Capital Grant (DFC). In accordance with the Charities SORP 2005, the DFC received is shown in the SOFA as restricted fixed asset funds.

The balance sheet restricted fixed asset fund is reduced by depreciation charges over the expected useful life of the assets concerned, as explained in Note 1.5 to the Financial Statements.

The combined General Restricted Fund and Unrestricted Fund show an operating surplus, before the actuarial losses on defined benefit pension schemes, of £161,789. This operating surplus is the result of detailed and tight budgeting and budget control procedures which are firmly embedded in the Academy Trust's daily financial management. For the second full year running as an Academy the actual costs were less than budgeted. In 2013/14 this was primarily due to 'worst case' scenario budgeting , an allocation for maternity provision that did not materialise, savings on changes to staffing, and an ICT infrastructure project that had been budgeted for but did not occur within the financial year.

The Trustees are aware of the large deficit that the Local Government Pension Fund is reporting. (See Note 18 to the Financial Statements).

Reserves policy

As at the 31st August 2014 the School had a deficit restricted balance of £477,892. It recognises a significant pension fund deficit for the Local Government Pension Scheme of £832,000, and as this is included within the restricted funds the overall position becomes a deficit. However, this does not mean that an immediate liability for this amount crystallises.

The restricted and unrestricted reserves balance is £813,314, this includes the school fund balance of £84,838, and excludes the LGPS pension deficit.

The restricted and unrestricted reserves will be put towards the day-to-day running of St Edmund's School for 2014-15, with particular emphasis on staffing, building projects and improvements and the carry forward of the ICT Infrastructure project from 2013/14. The reserves are frequently monitored to ensure a balance between spending on the current pupils on roll and the necessity to have a reserve for future uncertainties.

The level of reserves is deliberately maintained and considered appropriate, in order to ensure healthy 3 – 5 year budget planning. The level of reserves is reviewed on an annual basis.

The deficit position of the pension scheme could result in a cash flow effect in the form of an increase or decrease in employer's contributions over a period of years. Therefore the Academy Trust aims to revisit current business plans and budgets to ascertain how pension costs might affect budgets in the future to ensure that there is no actual cash flow deficit on the fund, or direct impact on the free reserves of the Academy Trust.

ST EDMUND'S SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Investment policy and powers

St Edmund's School by nature of the fact that it holds cash balances has responsibilities and powers to make investment decisions. The aim of the Investment Policy is to ensure that funds which the school does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the school's income, but without risk.

Apart from the cash held for the operation of the School, St Edmund's School has no realisable investments. With respect to its cash holdings the Board of Trustees has agreed to invest a fixed sum in a high interest rate account for periods between 1 and 12 months.

Other Principal Financial Management Policies updated and adopted between 1st September 2013 and 31st August 2014 are:

Financial Controls Manual
Anti-Fraud and Anti-Corruption Policy
Scheme of Delegation
Charging and Remissions Policy
Governors' Expenses Policy.

Principal risks and uncertainties

The Trustees are aware of the risks and uncertainties that the Academy Trust faces.

The Trustees have implemented a Risk Register and risk assessment process to assess risk, including operational areas (eg in relation to teaching, health and safety, bullying and School trips) and the control of finance. Systems or procedures have been established to manage those risks, and the Trustees have ensured they have adequate insurance cover.

The Board of Trustees acknowledge that we have overall responsibility for ensuring that St Edmund's School has an effective and appropriate system of control, financial and otherwise. We are also responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of St Edmund's School. This enables us to ensure that the financial statements comply with the Companies Act. We also acknowledge responsibility for safeguarding the assets of St Edmund's School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, as well as providing reasonable assurance that assets are safeguarded, transactions are properly authorised and recorded and that material errors or irregularities are either prevented or can be detected promptly.

The main areas of exposure are bank balances, cash, trade creditors and trade debtors. The deficit on the defined benefit pension scheme is a material risk. The Trustees regularly review the key risks to which the Academy Trust is exposed.

The principal risk that the Academy faces is the defined benefit pension scheme. All other areas of risk are outlined in the Risk Register which is reviewed annually.

Plans for future periods

St Edmund's School will continue to work to maintain the performance of its pupils at all levels. Additionally, it will continue its efforts to improve the achievements of its students, not only in academic subjects but also in extra-curricular activities and in essential life skills, so as to increase the number of opportunities open to its students when they move on to further and higher education and ultimately employment.

Funds held as custodian trustee on behalf of others

During the period 1st September 2013 to 31st August 2014 St Edmund's School did not hold any funds as Custodian Trustee on behalf of any other charitable organisation.

ST EDMUND'S SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Auditor

In so far as the trustees are aware:

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

A resolution proposing that Moore Stephens (South) LLP be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 10 December 2014 and signed on its behalf by:

Mr M Jones
Chairman

ST EDMUND'S SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2014

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Edmund's School and the Secretary of State for Education. The Headteacher is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

ST EDMUND'S SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
Mr N Owen (Resigned 24 July 2014)	5	7
Mr M Jones (Chairman)	7	7
Miss S Busby (Headteacher/Accounting Officer)	7	7
Mrs K Waters	5	7
Mr G Wishart (Resigned 12 March 2014)	1	2
Mrs S McKinley (Resigned 9 July 2014)	4	7
Dr A Banks (Resigned 13 October 2014)	4	7
The Revd Canon D Linaker	5	7
Miss L Knapp	7	7
Mr A Shield (Co-Vice Chair (moved committees 5 February 2014)) (Resigned 23 June 2014)	5	6
Mr J Squire	6	7
Mrs M Bacon (Resigned 6 February 2014)	1	2
Mrs V Townsend	7	7
Mr J Baxter-Brown (Resigned 11 December 2013)	0	2
Mrs E Liversage	4	7
Mrs C Reavill (Sole-Vice Chair from 23 June 2014)	6	7
Mrs L Aldridge (Appointed 2 September 2013)	7	7
Mr K Grimsley (Appointed 2 September 2013 and resigned 31 May 2014)	6	6
Mr D Henry (Appointed 10 March 2014)	3	4
Miss K Holes (Appointed 19 September 2014)	0	0
Mrs R Maidment (Appointed 10 March 2014)	3	4
Mrs J Oliver (Appointed 10 March 2014)	3	4
Mrs B Simkin-Park (Appointed 11 December 2013)	3	5
Mrs E Adams (Appointed 3 September 2014)	0	0
Dr H Adams (Appointed 3 September 2014)	0	0
Rev M Earwicker (Appointed 3 September 2014)	0	0

The Academy Trust has difficulties appointing Foundation Trustees to serve on the Board of Trustees, and there are 3 vacancies to date. In addition, there are 2 vacancies for additional Trustees.

The School has involved the Trustees and Governing Body in a self-evaluation activity, including an external school review conducted by an HMI (May 2014). A formal external review of governance, to be conducted by a National Leader of Governance, is planned to take place within 3 months.

ST EDMUND'S SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

The finance and premises committee

The finance and premises committee is a sub-committee of the main Board of Trustees. Its purpose is to oversee the school's financial affairs and to report as appropriate to the Board of Trustees. In 2013/14 the Committee has overseen all capital projects, funded from capital, restricted and unrestricted funds; the introduction of an online payment system, cashless catering and an asset management software package as well as a review of the ICT Infrastructure. The Finance and Premises Committee carries out the functions of the Audit Committee.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Mr M Jones (Chairman)	6	6
Miss S Busby (Headteacher/Accounting Officer)	5	6
Mrs K Waters	3	6
Mr G Wishart (Resigned 12 March 2014)	1	4
Mr A Shield (Co-Vice Chair (moved committees 5 February 2014)) (Resigned 23 June 2014)	1	2
Mr J Squire	5	6
Mrs L Aldridge (Appointed 2 September 2013)	6	6
Mr D Henry (Appointed 10 March 2014)	3	3

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Edmund's School for the period 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

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

ST EDMUND'S SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint a responsible officer. The Academy purchases the Financial Controls Assurance Service from Wiltshire Council. This service includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems on a quarterly basis. The reports on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities are fed back to the Finance and Premises Committee. St Edmund's School has received four Financial Controls Assurance Service buyback visits in 2013/14. No material control issues have been highlighted, and good practice recommendations have been put in place.

Review of effectiveness

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

- the work of the Financial Controls Assurance Service;
- the work of the external auditor;
- the work of the Senior Leadership Team within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance and premises committee and a plan ensure continuous improvement of the system is in place.

Approved by order of the Board of Trustees on 10 December 2014 and signed on its behalf by:

Mr M Jones
Chairman

Miss S Busby
Headteacher/Accounting Officer

ST EDMUND'S SCHOOL

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2014

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

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

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

Approved on 10 December 2014 and signed by:

Miss S Busby
Accounting Officer

ST EDMUND'S SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who also act as governors for St Edmund's School and are also the directors of St Edmund's School for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

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

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

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from the EFA/DfE have been applied for the purposes intended.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by order of the Board of Trustees on 10 December 2014 and signed on its behalf by:

Mr M Jones
Chairman

ST EDMUND'S SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST EDMUND'S SCHOOL

We have audited the accounts of St Edmund's School for the year ended 31 August 2014 set out on pages 21 to 42. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 to 2014 issued by the EFA.

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

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 16, the trustees, who are also the directors of St Edmund's School for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

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

Scope of the audit of the accounts

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

Opinion on accounts

In our opinion the accounts:

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts.

ST EDMUND'S SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ST EDMUND'S SCHOOL

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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.

Andrew Williams (Senior Statutory Auditor)
Moore Stephens (South) LLP

Chartered Accountants
Statutory Auditor
33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Dated:

ST EDMUND'S SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST EDMUND'S SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 28 November 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Edmund's School during the period 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of St Edmund's School's accounting officer and the reporting accountant

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

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- consideration of the evidence supporting the accounting officer's statement on regularity, propriety and compliance;
- analytical procedures on the general activities of the academy trust;
- a review of minutes of committees and board meetings which may be relevant to regularity;
- consideration of discussions with key personnel including the accounting officer and governing body;
- tests of control have been carried out on a control activity which are relevant to regularity;
- substantive testing of individual transactions.

ST EDMUND'S SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST EDMUND'S SCHOOL AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

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

Andrew Williams

Reporting Accountant

Moore Stephens (South) LLP

Dated:

ST EDMUND'S SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2014

	Notes	Unrestricted funds £	Restricted funds £	Fixed Asset fund £	Total 2014 £	Total 2013 £
Incoming resources						
<i>Resources from generated funds</i>						
- Voluntary income	2	3,657	-	-	3,657	72,694
- Activities for generating funds	3	171,002	138,526	-	309,528	371,807
- Investment income	4	1,625	-	-	1,625	993
<i>Resources from charitable activities</i>						
- Funding for educational operations	5	-	4,186,970	461,495	4,648,465	4,827,133
Total incoming resources		<u>176,284</u>	<u>4,325,496</u>	<u>461,495</u>	<u>4,963,275</u>	<u>5,272,627</u>
Resources expended						
<i>Costs of generating funds</i>						
<i>Charitable activities</i>						
- Educational operations	7	137,423	4,044,844	172,871	4,355,138	4,204,676
Governance costs	8	-	22,287	-	22,287	40,910
Total resources expended	6	<u>137,423</u>	<u>4,067,131</u>	<u>172,871</u>	<u>4,377,425</u>	<u>4,245,586</u>
Net incoming/(outgoing) resources before transfers		38,861	258,365	288,624	585,850	1,027,041
Gross transfers between funds		(20,458)	(126,979)	147,437	-	-
Net income/(expenditure) for the year		<u>18,403</u>	<u>131,386</u>	<u>436,061</u>	<u>585,850</u>	<u>1,027,041</u>
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension scheme	18	-	(314,000)	-	(314,000)	44,000
Net movement in funds		18,403	(182,614)	436,061	271,850	1,071,041
Fund balances at 1 September 2013		440,803	(295,278)	7,395,272	7,540,797	6,469,756
Fund balances at 31 August 2014		<u>459,206</u>	<u>(477,892)</u>	<u>7,831,333</u>	<u>7,812,647</u>	<u>7,540,797</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

All of the academy's activities derive from continuing operations during the two financial periods above.

ST EDMUND'S SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2014

	Notes	2014		2013	
		£	£	£	£
Fixed assets					
Tangible assets	11		7,831,333		7,395,272
Current assets					
Debtors	12	408,259		103,202	
Cash at bank and in hand		804,062		688,414	
		<u>1,212,321</u>		<u>791,616</u>	
Creditors: amounts falling due within one year	13	<u>(388,651)</u>		<u>(140,091)</u>	
Net current assets			823,670		651,525
Total assets less current liabilities			8,655,003		8,046,797
Creditors: amounts falling due after more than one year	14		<u>(10,356)</u>		<u>-</u>
Net assets excluding pension liability			8,644,647		8,046,797
Defined benefit pension liability	18		<u>(832,000)</u>		<u>(506,000)</u>
Net assets			<u>7,812,647</u>		<u>7,540,797</u>
Funds of the academy trust:					
Restricted income funds	16				
- Fixed asset funds			7,831,333		7,395,272
- General funds			354,108		210,722
- Pension reserve			<u>(832,000)</u>		<u>(506,000)</u>
Total restricted funds			7,353,441		7,099,994
Unrestricted funds	16		459,206		440,803
Total funds			<u>7,812,647</u>		<u>7,540,797</u>

The accounts were approved by order of the Board of Trustees and authorised for issue on 10 December 2014. and are signed on their behalf by:

Mr M Jones
Chairman

Company Number 07865850

ST EDMUND'S SCHOOL

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2014

	Notes	2014 £	2013 £
Net cash inflow/(outflow) from operating activities	19	248,988	266,138
Returns on investments and servicing of finance			
Investment income		1,625	993
Financing costs		(1,336)	(557)
		<u>289</u>	<u>436</u>
Net cash inflow/(outflow) from returns on investments and servicing of finance		289	436
		<u>249,277</u>	<u>266,574</u>
Capital expenditure and financial investments			
Capital grants received		461,495	835,163
Payments to acquire tangible fixed assets		(608,932)	(955,684)
		<u>(147,437)</u>	<u>(120,521)</u>
Net cash flow from capital activities		(147,437)	(120,521)
		<u>101,840</u>	<u>146,053</u>
Net cash inflow/(outflow) before financing		101,840	146,053
Financing			
Government loan		13,808	-
Capital element of hire purchase and finance leases		-	(17,645)
		<u>13,808</u>	<u>(17,645)</u>
Net cash inflow/(outflow) from funding		13,808	(17,645)
		<u>115,648</u>	<u>128,408</u>
Increase/(decrease) in cash	20	<u>115,648</u>	<u>128,408</u>

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company 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 accounts.

1.3 Incoming resources

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants receivable

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

Sponsorship income provided to the academy trust 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 the value of the donation is measurable.

Donations

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

Other income

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

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust 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 trust's policies.

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting policies

(Continued)

1.4 Resources expended

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

Costs of generating funds

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

Charitable activities

These are costs incurred on the academy trust's educational operations.

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

Assets costing £ 2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. 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 trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Buildings	2% straight line
Computer equipment	25% straight line
Fixtures, fittings & equipment	20% straight line
Motor vehicles	20% straight line

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

1.6 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting policies

(Continued)

1.7 Taxation

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

1.8 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 18, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each year.

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

1.9 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency 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 Education Funding Agency.

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Other donations	3,657	-	3,657	72,694

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Hire of facilities	16,178	-	16,178	15,951
Catering income	-	77,617	77,617	55,827
Visits and trip income	154,824	-	154,824	224,442
Other income	-	60,909	60,909	75,587
	<u>171,002</u>	<u>138,526</u>	<u>309,528</u>	<u>371,807</u>

4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Other investment income	1,625	-	1,625	993
	<u>1,625</u>	<u>-</u>	<u>1,625</u>	<u>993</u>

5 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
DfE / EFA grants				
General annual grant (GAG)	-	3,866,515	3,866,515	3,713,173
Capital grants	-	461,495	461,495	835,163
Other DfE / EFA grants	-	151,892	151,892	139,454
	<u>-</u>	<u>4,479,902</u>	<u>4,479,902</u>	<u>4,687,790</u>
Other government grants				
Local authority grants	-	133,030	133,030	108,107
Other grants	-	35,533	35,533	31,236
	<u>-</u>	<u>168,563</u>	<u>168,563</u>	<u>139,343</u>
Total funding	<u>-</u>	<u>4,648,465</u>	<u>4,648,465</u>	<u>4,827,133</u>

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

6 Resources expended

	Staff costs £	Premises & equipment £	Other costs £	Total 2014 £	Total 2013 £
Academy's educational operations					
- Direct costs	2,714,490	172,871	552,287	3,439,648	3,344,750
- Allocated support costs	611,810	43,738	259,942	915,490	859,926
	<u>3,326,300</u>	<u>216,609</u>	<u>812,229</u>	<u>4,355,138</u>	<u>4,204,676</u>
Other expenditure					
Governance costs	-	-	22,287	22,287	40,910
	<u>-</u>	<u>-</u>	<u>22,287</u>	<u>22,287</u>	<u>40,910</u>
Total expenditure	<u>3,326,300</u>	<u>216,609</u>	<u>834,516</u>	<u>4,377,425</u>	<u>4,245,586</u>

Incoming/outgoing resources for the year include:

	2014 £	2013 £
Operating leases		
- Plant and machinery	7,360	7,360
Fees payable to auditor		
- Audit	5,850	5,750
- Other services	2,025	2,550
	<u>7,360</u>	<u>7,360</u>

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Direct costs				
Teaching and educational support staff costs	-	2,700,569	2,700,569	2,620,458
Depreciation	-	172,871	172,871	142,428
Technology costs	-	66,926	66,926	74,604
Educational supplies and services	-	184,116	184,116	185,076
Examination fees	-	75,779	75,779	53,336
Staff development	-	13,921	13,921	12,843
Educational consultancy	-	69,028	69,028	36,473
Other direct costs	128,877	27,561	156,438	219,532
	<u>128,877</u>	<u>3,310,771</u>	<u>3,439,648</u>	<u>3,344,750</u>
Allocated support costs				
Support staff costs	5,021	606,789	611,810	594,009
Technology costs	-	9,597	9,597	2,752
Recruitment and support	-	12,097	12,097	11,931
Maintenance of premises and equipment	-	43,738	43,738	40,638
Cleaning	-	39,463	39,463	35,382
Energy costs	3,525	46,294	49,819	43,398
Rent and rates	-	22,747	22,747	17,891
Insurance	-	34,138	34,138	31,107
Security and transport	-	20,662	20,662	15,611
Catering	-	31,217	31,217	27,356
Interest and finance costs	-	5,336	5,336	13,557
Other support costs	-	34,866	34,866	26,294
	<u>8,546</u>	<u>906,944</u>	<u>915,490</u>	<u>859,926</u>
Total costs	<u>137,423</u>	<u>4,217,715</u>	<u>4,355,138</u>	<u>4,204,676</u>

8 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Legal and professional fees	-	16,437	16,437	35,160
Auditor's remuneration	-	5,850	5,850	5,750
- Audit of financial statements	-	22,287	22,287	40,910
	<u>-</u>	<u>22,287</u>	<u>22,287</u>	<u>40,910</u>

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

9 Staff costs

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

	2014	2013
	Number	Number
Teachers	43	42
Administration and support	47	44
Management	6	7
	<u>96</u>	<u>93</u>

Costs included within the accounts:

	2014	2013
	£	£
Wages and salaries	2,657,298	2,577,997
Social security costs	176,055	184,403
Other pension costs	426,238	398,106
	<u>3,259,591</u>	<u>3,160,506</u>
Supply teacher costs	44,788	42,961
Staff restructuring costs	8,000	11,000
	<u>3,312,379</u>	<u>3,214,467</u>

The number of employees whose annual remuneration was £60,000 or more was:

	2014	2013
	Number	Number
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
	<u>1</u>	<u>1</u>

Of the employees above, the number participating in pension schemes and the employers' contributions paid on their behalf were as follows:

		2014	2013
Teachers' Pension Scheme	Numbers	1	1
	£	10,109	9,767
		<u>1</u>	<u>1</u>
Local Government Pension Scheme	Numbers	-	-
	£	-	-
		<u>-</u>	<u>-</u>

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

10 Trustees' remuneration and expenses

The Headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

The value of trustees' remuneration was as follows:

S Busby (Headteacher) £70,000 - £75,000 (2013: £65,000-£70,000)
 V Townsend (Other staff Governor) - £35,000 - £40,000 (2013: £35,000 - £40,000)
 K Grimsley (Other staff Governor) - £25,000 - £30,000 (2013: n/a)
 L Aldridge (Other staff Governor) - £5,000 - £10,000 (2013: n/a)

During the year ended 31 August 2014, travel, and subsistence expenses totalling £516.27 (2013: £575.35) were reimbursed to 1 trustee (2013 2 trustees).

Other related party transactions involving the trustees are set out within the related parties note.

Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2014 was £2,087.

11 Tangible fixed assets

	Buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2013	7,421,133	99,167	57,559	24,870	7,602,729
Additions	478,737	68,265	61,930	-	608,932
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2014	7,899,870	167,432	119,489	24,870	8,211,661
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 September 2013	171,674	26,095	5,957	3,731	207,457
Charge for the year	120,605	32,179	15,113	4,974	172,871
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2014	292,279	58,274	21,070	8,705	380,328
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At 31 August 2014	7,607,591	109,158	98,419	16,165	7,831,333
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 August 2013	7,249,459	73,072	51,602	21,139	7,395,272
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

11 Tangible fixed assets

(Continued)

The land and buildings were valued on the depreciated replacement cost method in an exercise undertaken by the Education Funding agency as at the 31 August 2012. The land was valued at £1,459,656 and the buildings at £5,014,327. The academy has not obtained a separate valuation. The academy did not consider it an effective use of public funds to obtain an additional valuation. The land and Buildings are owned by the Diocese.

12 Debtors

	2014	2013
	£	£
VAT recoverable	87,602	10,216
Other debtors	276,313	54,902
Prepayments and accrued income	44,344	38,084
	<u>408,259</u>	<u>103,202</u>

13 Creditors: amounts falling due within one year

	2014	2013
	£	£
Government loans	3,452	-
Trade creditors	43,654	11,320
Taxes and social security costs	55,857	55,397
Other creditors	257,408	55,466
Deferred income	28,280	17,908
	<u>388,651</u>	<u>140,091</u>

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014

14	Creditors: amounts falling due after more than one year	2014	2013
		£	£
	Government loans	10,356	-
		<u> </u>	<u> </u>
	Analysis of loans	2014	2013
		£	£
	Wholly repayable within five years	13,808	-
	Less: included in current liabilities	(3,452)	-
		<u> </u>	<u> </u>
	Amounts included above	10,356	-
		<u> </u>	<u> </u>
	Loan maturity		
	Debt due in one year or less	3,452	-
	In more than one year but not more than two years	3,452	-
	In more than two years but not more than five years	6,904	-
		<u> </u>	<u> </u>
		13,808	-
		<u> </u>	<u> </u>
15	Deferred income	2014	2013
		£	£
	Deferred income is included within:		
	Creditors due within one year	28,280	17,908
		<u> </u>	<u> </u>
	Total deferred income at 1 September 2013	17,908	113,889
	Amounts credited to the statement of financial activities	(17,908)	(113,889)
	Amounts deferred in the year	28,280	17,908
		<u> </u>	<u> </u>
	Total deferred income at 31 August 2014	28,280	17,908
		<u> </u>	<u> </u>

Deferred income relates to formula capital grants and sports grants received in advance, and some dance workshop deposits also received in advance.

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

16 Funds

	Balance at 1 September 2013	Incoming resources	Resources expended	Gains, losses and transfers	Balance at 31 August 2014
	£	£	£	£	£
Restricted general funds					
General Annual Grant	202,847	3,866,515	(3,588,275)	(126,979)	354,108
Other DfE / EFA grants	7,875	151,892	(159,767)	-	-
Other government grants	-	168,563	(168,563)	-	-
Other restricted funds	-	138,526	(138,526)	-	-
	<u>210,722</u>	<u>4,325,496</u>	<u>(4,055,131)</u>	<u>(126,979)</u>	<u>354,108</u>
Funds excluding pensions	210,722	4,325,496	(4,055,131)	(126,979)	354,108
Pension reserve	(506,000)	-	(12,000)	(314,000)	(832,000)
	<u>(295,278)</u>	<u>4,325,496</u>	<u>(4,067,131)</u>	<u>(440,979)</u>	<u>(477,892)</u>
Restricted fixed asset funds					
DfE / EFA capital grants	7,395,272	461,495	(172,871)	-	7,683,896
Capital expenditure from GAG or other funds	-	-	-	147,437	147,437
	<u>7,395,272</u>	<u>461,495</u>	<u>(172,871)</u>	<u>147,437</u>	<u>7,831,333</u>
Total restricted funds	<u>7,099,994</u>	<u>4,786,991</u>	<u>(4,240,002)</u>	<u>(293,542)</u>	<u>7,353,441</u>
Unrestricted funds					
General funds	440,803	176,284	(137,423)	(20,458)	459,206
	<u>440,803</u>	<u>176,284</u>	<u>(137,423)</u>	<u>(20,458)</u>	<u>459,206</u>
Total funds	<u>7,540,797</u>	<u>4,963,275</u>	<u>(4,377,425)</u>	<u>(314,000)</u>	<u>7,812,647</u>

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

The fixed asset fund was created based on the EFA valuation of the school's land and buildings which are owned and provided by the Salisbury Diocese for the school to use for as long as they are required. The cost is reflected in order to ensure there is adequate substance over form for accounting purposes. Additional assets are added to the fund, as they are required, and they will be written down by depreciation each year.

The restricted general funds are made up of the General Annual Grant received, to be spent on education within the Academy, and other related DfE or other authority grants.

Unrestricted funds are general donations and fund raising activities of the Academy and are used to support the provision of education with the Academy.

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

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

17 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Fixed asset funds	Total funds
	£	£	£	£
Fund balances at 31 August 2014 are represented by:				
Tangible fixed assets	-	-	7,831,333	7,831,333
Current assets	459,206	753,115	-	1,212,321
Creditors: amounts falling due within one year	-	(388,651)	-	(388,651)
Creditors: amounts falling due after one year	-	(10,356)	-	(10,356)
Defined benefit pension liability	-	(832,000)	-	(832,000)
	<u>459,206</u>	<u>(477,892)</u>	<u>7,831,333</u>	<u>7,812,647</u>

18 Pensions and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2013.

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

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:

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

18 Pensions and similar obligations

(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 information 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 since April 2012 on a 40:80:100 percent basis.

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy trust is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy trust 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 trust has set out above the information available on the scheme.

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

18 Pensions and similar obligations

(Continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 23.3 per cent for employers and 5.5 to 12.5 per cent for employees. The estimated value of employer contributions for the forthcoming year is £196000.

The level of employer contributions will increase to assist in reducing the pension deficit as follows:

Period (1 April - 31 March)	Employer Contribution Rate	Annual Monetary Amount
2014/2015	23.3%	£8,000
2015/2016	23.3%	£11,000
2016/2017	23.3%	£14,000

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.

	2014 £	2013 £
Employer's contributions	177,000	155,000
Employees' contributions	45,000	43,000
	<u> </u>	<u> </u>
Total contributions	<u>222,000</u>	<u>198,000</u>

Principal actuarial assumptions

	2014 %	2013 %
Rate of increase in salaries	4.4	5.1
Rate of increase for pensions in payment	2.6	2.8
Discount rate for scheme liabilities	3.7	4.6
Inflation assumption (CPI)	2.6	2.2
Commutation of pensions to lump sums	50	50
	<u> </u>	<u> </u>

Sensitivity Analysis

Change in assumptions at 31st August 2014

	Approximate % increase in employer liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	12%	308
1 year increase in member life expectancy	3%	79
0.5% increase in the Salary Increase Rate	5%	132
0.5% increase in the Pension Increase Rate	6%	167

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

18 Pensions and similar obligations

(Continued)

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

	2014	2013
	Years	Years
Retiring today		
- Males	22.3	21
- Females	24.5	24
Retiring in 20 years		
- Males	24.1	23
- Females	26.9	26

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

	2014	2014	2013	2013
	Expected	Fair value	Expected	Fair value
	return	£	return	£
	%		%	
Equities	6.3	1,290,000	6.6	1,014,000
Bonds	3.4	308,000	4.1	211,000
Cash	3.3	36,000	3.6	42,000
Property	4.5	181,000	4.7	141,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total market value of assets		1,815,000		1,408,000
Present value of scheme liabilities - funded		(2,647,000)		(1,914,000)
		<u> </u>		<u> </u>
Net pension asset / (liability)		(832,000)		(506,000)
		<u> </u>		<u> </u>

The expected return on assets is based on the long term future expected investment return for each asset class as at the beginning of the period (i.e. as at 31 August 2013 for the year to 31 August 2014). The return on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect the default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actual return on scheme assets was £236,000 (2013: £143,000).

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

18 Pensions and similar obligations	(Continued)	
Operating costs and income recognised in the statement of financial activities		
	2014	2013
	£	£
Financial expenditure/(income)		
Expected return on pension scheme assets	(89,000)	(56,000)
Interest on pension liabilities	93,000	69,000
	<u>4,000</u>	<u>13,000</u>
Other expenditure/(income)		
Current service cost	8,000	10,000
Past service cost	-	-
	<u>8,000</u>	<u>10,000</u>
Total operating charge/(income)	<u><u>12,000</u></u>	<u><u>23,000</u></u>
Actuarial gains and losses recognised in the statement of financial activities		
	2014	2013
	£	£
Actuarial (gains)/losses on assets: actual return less expected	314,000	(44,000)
Experience (gains)/losses on liabilities	-	-
(Gains)/losses arising from changes in assumptions	-	-
	<u>314,000</u>	<u>(44,000)</u>
Total (gains)/losses	<u><u>314,000</u></u>	<u><u>(44,000)</u></u>
Cumulative (gains)/losses to date	<u><u>215,000</u></u>	<u><u>(99,000)</u></u>
Movements in the present value of defined benefit obligations were as follows:		
	2014	2013
	£	£
Opening defined benefit obligations	(1,914,000)	(1,581,000)
Current service cost	(185,000)	(165,000)
Interest cost	(93,000)	(69,000)
Contributions by employees	(45,000)	(43,000)
Actuarial gains/(losses)	(441,000)	(44,000)
Benefits paid	31,000	(12,000)
	<u>(2,647,000)</u>	<u>(1,914,000)</u>

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

18 Pensions and similar obligations

(Continued)

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

	2014 £	2013 £
Opening fair value of scheme assets	1,408,000	1,054,000
Expected return on assets	89,000	56,000
Actuarial gains/(losses)	127,000	88,000
Contributions by employers	177,000	155,000
Contributions by employees	45,000	43,000
Benefits paid	(31,000)	12,000
	<u>1,815,000</u>	<u>1,408,000</u>

History of experience gains and losses:

	2014 £	2013 £	2012 £
Present value of defined benefit obligations	(2,647,000)	(1,914,000)	(1,581,000)
Fair value of share of scheme assets	1,815,000	1,408,000	1,054,000
	<u>(832,000)</u>	<u>(506,000)</u>	<u>(527,000)</u>
Experience adjustment on scheme liabilities	(441,000)	(44,000)	55,000
Experience adjustment on scheme assets	127,000	88,000	-
	<u>(314,000)</u>	<u>(35,000)</u>	<u>55,000</u>

19 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2014 £	2013 £
Net income	585,850	1,027,041
Capital grants and similar income	(461,495)	(835,163)
Investment income	(1,625)	(993)
Financing costs	1,336	557
FRS17 pension costs less contributions payable	8,000	10,000
FRS17 pension finance income	4,000	13,000
Depreciation of tangible fixed assets	172,871	142,428
(Increase)/decrease in debtors	(305,057)	4,356
Increase/(decrease) in creditors	245,108	(95,088)
	<u>248,988</u>	<u>266,138</u>
Net cash inflow/(outflow) from operating activities	<u>248,988</u>	<u>266,138</u>

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

20 Reconciliation of net cash flow to movement in net funds	2014 £	2013 £
Increase/(decrease) in cash	115,648	128,408
Government loans	(13,808)	-
Capital element of hire purchase and finance leases	-	17,645
	<u>101,840</u>	<u>146,053</u>
Change in net funds resulting from cash flows	101,840	146,053
Net funds at 1 September 2013	688,414	542,361
	<u>790,254</u>	<u>688,414</u>
Net funds at 31 August 2014	<u><u>790,254</u></u>	<u><u>688,414</u></u>

21 Analysis of net funds	At 1 September 2013 £	Cash flows £	Non-cash changes £	At 31 August 2014 £
Cash at bank and in hand	688,414	115,648	-	804,062
	<u>688,414</u>	<u>115,648</u>	<u>-</u>	<u>804,062</u>
Debt due within one year	-	(13,808)	10,356	(3,452)
Debt due after one year	-	-	(10,356)	(10,356)
	<u>-</u>	<u>(13,808)</u>	<u>-</u>	<u>(13,808)</u>
	<u>688,414</u>	<u>101,840</u>	<u>-</u>	<u>790,254</u>
Net balances	<u><u>688,414</u></u>	<u><u>101,840</u></u>	<u><u>-</u></u>	<u><u>790,254</u></u>

22 Contingent liabilities

The Academy is not aware of any existing or potential litigation.

23 Commitments under operating leases

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

	2014 £	2013 £
Expiry date:		
- Within one year	7,360	-
- Between two and five years	-	14,720
	<u>7,360</u>	<u>14,720</u>
	<u><u>7,360</u></u>	<u><u>14,720</u></u>

ST EDMUND'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

24 Related parties

Owing to the nature of the academy trust'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 trustees have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

The following related party transactions took place during the year:

The School Business Manager's daughter provided services to the School which amounted to £8,745 (2013: £7,860).

The Headteacher's daughter provided services to the School which amounted to £173.40 (2013: £nil).

There were no amounts outstanding at 31 August 2014 (2013: £nil).

25 Members' liability

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