

Registration number: 07713374

St Ives Infant School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2015

St Ives Infant School

Contents

Reference and Administrative Details	1 to 2
Trustees' Report	3 to 11
Governance Statement	12 to 14
Statement on Regularity, Propriety and Compliance	15
Statement of Trustees' Responsibilities	16
Independent Auditor's Report on the Financial Statements	17 to 18
Independent Reporting Accountant's Report on Regularity	19 to 20
Statement of Financial Activities incorporating Income and Expenditure Account	21 to 22
Balance Sheet	23
Cash Flow Statement	24
Notes to the Financial Statements	25 to 44

St Ives Infant School

Reference and Administrative Details

Members	J McWilliams J Dean C Whelan
Governors and Trustees (Directors)	J McWilliams C Whelan C J Ford J A Marsden G S Anderson T R Murray G Davies M L Armstrong S Hodges G Lunt J Dean (Principal and Accounting Officer) R Smith (appointed 1 September 2014) M Read (appointed 26 March 2015)
Principal	J Dean
Senior Management Team	J Dean, Principal C Pamplin-Barnard, Deputy Head L Saunders, Early Years Leader
Principal and Registered Office	Trenwith Burrows St Ives Cornwall TR26 1DH
Company Registration Number	07713374
Auditors	Walker Moyle Ltd Alverton Pavilion Trewithen Road Penzance Cornwall TR18 4LS

St Ives Infant School

Reference and Administrative Details (continued)

Bankers

The Co-operative Bank
PO BOX 250
Skelmersdale
WN8 6WT

Barclays Bank
Penzance Branch
8/9 Market Jew Street
Penzance
Cornwall
TR18 2TW

St Ives Infant School

Trustees' Report for the Year Ended 31 August 2015

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company registration number is 07713374.

The governors act as the trustees for the charitable activities of St Ives Infant School and are also the directors of the charitable company for the purposes of company law.

Details of the trustees who served throughout the year except as noted 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 company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

Trustees' indemnities

The Academy through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees.

St Ives Infant School

Trustees' Report for the Year Ended 31 August 2015 (continued)

Method of recruitment and appointment or election of Trustees

The first governors are those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.

Other governors are appointed as follows:

a) By members- The members may appoint up to 15 governors. They can appoint staff governors through such process as they may determine, provided that the total number of governors (including the Principal) who are employed by the academy trust does not exceed one-third of the total number of governors.

b) Local Authority - The Local Authority may appoint the Local Authority Governor.

c) Ex Officio Governor - Shall be the principal.

d) By parents - The 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 elected. There should be a minimum of 2 parent governors.

e) Governing body - Can appoint parent governors if the number of parents standing for election is less than the number of vacancies.

f) The Governors - The governors may appoint up to 3 co-opted governors. The governors may not co-opt an employee of the academy trust as a co-opted governor if the number of governors who are employed by the Academy Trust would exceed one-third (including the Principal).

g) The Secretary of State - May appoint Additional Governors in the following circumstances:

i. If the governors have received a warning notice and the governors have failed to comply with the notice to the Secretary of State's satisfaction within the compliance period.

ii. Where following an Inspection by the Chief Inspector in accordance with the Education Act 2005 (an "Inspection") the academy trust receives an Ofsted grading (being a grade referred to in the Framework for School Inspection or any modification or replacement of that document for the time being in force) which amounts to a drop, either from one Inspection to the next Inspection or between any two Inspections carried out within a 5 year period, of two Ofsted grades. For the purposes of the foregoing the grade received by St Ives Infant School shall be regarded as the grade received by the Academy.

iii. The Secretary of State may also appoint such Further Governors as he thinks fit if a Special Measures Termination Event (as defined in the Funding Agreement) occurs in respect of the Academy.

Within 5 days of the Secretary of State appointing any Additional or Further Governors, any governors appointed under Article 50 of the Memorandum and Articles of Association and holding office immediately preceding the appointment of such governors, shall resign immediately and the Members' power to appoint governors under Article 50 shall remain suspended until the Secretary of State removes one or more of the Additional or Further Governors.

The term of office for any governor except the Principal shall be 4 years. Subject to remaining eligible to be a particular type of governor, any governor may be reappointed or re-elected.

St Ives Infant School

Trustees' Report for the Year Ended 31 August 2015 (continued)

Policies and procedures adopted for the induction and training of Trustees

All governors are related to the Academy in some way and are therefore familiar with the Academy. All governors have the opportunity to go on training courses and receive guidance and training from existing governors.

Organisational structure

The decisions relating to the running of the Academy are made by the Board of Governors, who meet on a regular basis. Academy policies and recommendations for future action can be put to the Board of Governors by any governor. Although the majority of the recommendations are by the governors employed by the Academy, the day to day running of the Academy is delegated to the Principal. The Vice Principal, Chair and Vice Chair support the Principal in the day to day management of the Academy.

Risk management

The governors have assessed the major risks to which the Academy is exposed, in particular relating to the Academy's system of internal control. This incorporates risk management and encompasses a number of elements that together facilitate an effective and efficient operation. This enables the Academy to respond to a variety of operational, financial and commercial risks.

Connected organisations, including related party relationships

All of the governors are related parties of the academy. Full details of related party transactions are included at Note 25 to the accounts.

St Ives Infant School

Trustees' Report for the Year Ended 31 August 2015 (continued)

Objectives and activities

Objects and aims

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

The Academy's motto is 'Setting Sail for New Horizons'.

For every child to set out confidently on the adventure of learning: curious about the world, excited about their future, positive about their ability and caring towards other people.

The Academy's aims are:

Curious about the world

- To promote awareness and understanding of other cultures
- To develop the children's motivation, discovering their special interests and talents
- To introduce the children to a wide range of new experiences, ideas and activities
- To encourage the child to ask questions about the work, talk about their ideas and express their opinions

Excited about their future

- To make children excited about learning and eager to move on to the next stage of their education
- To help children to look beyond their immediate surroundings and their own personal experiences
- To shape a curriculum which will develop the knowledge and skills which the children will need to meet the challenges of their future lives
- To involve children in problem solving and develop their capacity to be active citizens

Positive of their ability

- To help children to reach the highest levels of achievement in all they do
- To demonstrate to all the children that they are able to learn
- To provide the highest quality of teaching for all children
- To develop the children's awareness of their own learning and the value of perseverance and dedication in their learning
- To identify and strive to meet the children's Special Educational Needs

Caring of other people

- To develop sensitivity to the feelings and concerns of other people
- To demonstrate compassion and respect for other people
- To develop the children's moral understanding
- To learn how to co-operate and work with other people

St Ives Infant School

Trustees' Report for the Year Ended 31 August 2015 (continued)

Objectives, strategies and activities

To ensure that the staff and governors work towards the school's current school improvement priorities. Our current priorities are:

- Maths

To review our teaching of maths to take full account of the demands of the new assessment requirements and to raise attainment across the school.

- Emotional Development

To ensure that the children's emotional development is a significant priority for all staff and is reflected in the way we work and support children throughout the school.

- Writing

To increase the proportion of children who gain the equivalent of 2B+ at the end of Year 2 and the percentage of children who achieve the Early Learning Goal in Reception.

- Assessment

To prepare for the new assessment requirements in 2016 and EYFS Baseline assessment from September 2016.

- Close the gap

To close the gap between the attainment of disadvantaged children and other children nationally, particularly in writing and maths.

Public benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008 to have due regard to the public benefit guidance provided by the Charity Commission.

The Academy provides educational services to children in the local area. Applications for school places are welcome from any family, regardless of where they live and the school does not have a defined catchment area. However proximity to the school is used as the main criteria if a year group is over-subscribed, once places have been allocated to children in care or with a statement of special educational need.

The education provided directly benefits the children and indirectly benefits their families and the wider community in which they are growing up.

In practice, a large majority of children who attend the school live in the town of St Ives and within walking distance of the school. The community is predominantly white Cornish or white British and the area where most of the children live falls within the 30-40% most deprived areas in the country. 32% of children are currently eligible for pupil premium funding as they receive free school meals (or have done in recent years), are in care or have a parent in the armed services. The educational services provided by the school therefore benefit many children who would be identified as disadvantaged.

St Ives Infant School

Trustees' Report for the Year Ended 31 August 2015 (continued)

Strategic Report

Achievements and performance

- School's results are higher than the national results at Level 2+, Level 3 and APS.
- The children made excellent progress from Year 1 to Year 2, exceeding all past years in Reading and Maths and continuing to maintain a very strong record in Writing.
- Level 2+ results were strong with increases in Reading 98% and Writing 93% while maths fell slightly to 95%
- The rolling averages for Level 2+, Level 3 and APS all increased apart from Level 2+ and Level 3 in maths which remained the same as the previous year.
- 55% of children achieved Level 3 in Reading
- 100% of boys achieved Level 2+ in Reading and Maths
- The school's Inspection Dashboard notes that disadvantaged pupils had an average point score above the national score for other pupils in reading. This is highlighted as a strength.
- The school's Inspection Dashboard does not identify any weaknesses in the dataset.

The school has continued to invest in additional individual support for children with particular needs and this proved very effective in helping the school to meet its aim of increasing the percentage of children attaining Level 2C and above in core subjects at the end of Year 2. The creation of new rooms for these activities, following the re-location of the library, has proved very beneficial. In particular the school's Home School Liaison Officer now has a room in which to meet parents and work with the children.

At the end of their Reception year the majority of children achieved the expected level or above in each of the 17 areas of learning within Early Years Foundation Stage Profile.

During the school year a new school library was created in one of the Elliott classrooms which the school has leased from Cornwall Council. The room provides a very attractive, comfortable, stimulating environment for the children and has been very popular. A rota of parent volunteers open the library at lunchtimes. The children can access the library directly from the playground and many choose to enjoy reading there and borrow books regularly.

Key financial performance indicators

	Unit	2015	2014
General Annual Grant (GAG) received	£	670,357.00	653,550.00
Unrestricted reserves	£	58,139.00	62,453.00

Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

St Ives Infant School

Trustees' Report for the Year Ended 31 August 2015 (continued)

Strategic Report

Financial review

In accordance with the Funding Agreement, the principal source of general funding with which to finance the operations of the Academy Trust is the Department for Education.

The Academy also receives funding from the Local Authority (Cornwall Council) including nursery funding for 3/4 year olds.

The Academy Trust held fund balances at 31 August 2015 of £1,392K comprising £1,492K of restricted funds, £58K of unrestricted funds and a pension reserve deficit of £158K.

Financial and risk management objectives and policies

The Governors examine the financial position of the Academy each term.

In respect of bank balances the liquidity risk is managed by a continual review of the balance and the forecast expenditure compared to actual expenditure, to ensure that the account never goes overdrawn and all liabilities are met.

Reserves policy

There are no designated reserves. All restricted reserves relate to income received with conditions regarding expenditure. The pension deficit of £158K represents the deficit on the Local Government Pension Scheme. The deficit on the pension scheme would generally result in a cash flow effect for the academy trust in the form of an increase in employers' pension contributions over a period of years. However on the basis that increased pension contributions should generally be met from the academy trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund, or direct impact on the free reserves of the academy trust because of recognising the deficit. The level of free, unrestricted reserves at the 31 August 2015 is £43,755 (2014 - £62,453).

The trustees consider that the school's unrestricted reserves should be around 5% of its GAG funding. The school therefore has greater reserves than required and the excess of these reserves have therefore been allocated to the school's capital budget for the 2015 – 2016 school year to be invested in the school.

Investment policy

The Academy retains surplus funds in its bank accounts. The Board of Governors monitor the type of bank accounts held and decide to either close or open additional accounts if necessary.

The governors have the power to invest any funds of the Academy not immediately required for the furtherance of its objects, but to invest only after obtaining such advice from a financial expert as the governors consider necessary and having regard to the suitability of investments and the need for diversification.

St Ives Infant School

Trustees' Report for the Year Ended 31 August 2015 (continued)

Strategic Report

Plans for future periods

The governors' key priority in 2015 – 2016 is to maintain and extend the high levels of attainment and progress achieved in the past year.

The school will also continue to work to close the gap between the attainment of disadvantaged children and other children, particularly in writing and maths.

The school's curriculum will be further enriched through the completion of the art studio in one of the Elliott classrooms and its use through the school day including a lunchtime club.

Governors are very mindful of the introduction of new national assessments at the beginning of Reception and the end of Year 2 and will ensure that staff are fully informed about the new requirements and are able to attend appropriate training.

St Ives Infant School

Trustees' Report for the Year Ended 31 August 2015 (continued)

Auditor

In so far as the Trustees are aware:

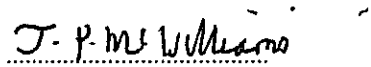
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The report has been prepared in accordance with the small companies regime of the Companies Act 2006.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Walker Moyle Ltd as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Trustees' Report, incorporating a Strategic Report, approved by order of the members of the Governing Body on 7.12.15 and signed on its behalf by:



J McWilliams
Governor and trustee

St Ives Infant School

Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that St Ives Infant 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 Governing Body has delegated the day-to-day responsibility to J Dean, 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 Ives Infant School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body 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 Governing Body has formally met 3 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
J McWilliams	3	3
C Whelan	1	3
J Dean	3	3
C J Ford	3	3
J A Marsden	3	3
G S Anderson	3	3
T R Murray	1	3
M L Armstrong	2	3
G Davies	3	3
M Read	2	2
R Smith	2	3
S Hodges	3	3
G Lunt	3	3

The Finance and Premises Committee is a sub-committee of the main Governing Body. Its purpose is to manage and direct the academy's finances and specialist issues Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
T R Murray	3	3
J Dean	3	3
C Whelan	1	3
J A Marsden	2	3
G Davies	2	3
G Lunt	2	3

St Ives Infant School

Governance Statement (continued)

Review of value for money

As accounting officer the headteacher 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 by:

- Reviewing the provision of staff absence insurance and securing a less expensive contract with a new company.
- Providing dedicated planning time for teaching assistants and time for them to review their work regularly with the teachers. This has significantly enhanced the quality of group work in literacy and maths and the targeted intervention work which some teaching assistants provide.
- Invested in the creation of new teaching spaces for small group work and one to one teaching. The school employs a dedicated speech and language therapy teaching assistant who now has her own room which has provided a much better environment for the children. Similarly the school's Home School Liaison Officer has a dedicated base in which to meet parents and work with children. The school's data indicates that the investment in high quality guidance, support and individual teaching has had a very significant impact on the children's attainment and progress.
- In the new financial year the school will be reviewing its electricity contract and seeking the advice of an established energy broker. The school's cleaning contract will also be reviewed to ensure that the school is receiving value for money.

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 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 Ives Infant School for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

St Ives Infant School

Governance Statement (continued)

The risk and control framework

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

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

The Governing Body has considered the need for a specific internal audit function and has decided:

- to appoint Walker Moyle Ltd as internal auditor

The auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a regular basis, the auditor reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

There were no material control or other issues reported by the internal auditor to date.

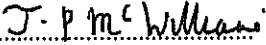
Review of effectiveness

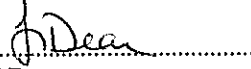
As Accounting Officer, J Dean has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

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 General Purposes 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 Governing Body on 7.12.15 and signed on its behalf by:


J McWilliams
Governor and trustee


J Dean
Accounting officer
Principal

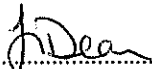
St Ives Infant School

Statement on Regularity, Propriety and Compliance

As accounting officer of St Ives Infant School I have considered my responsibility to notify the academy trust Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy trust Governing Body 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 Governing Body and EFA.


.....
J Dean, Accounting Officer

St Ives Infant School

Statement of Trustees' Responsibilities

The Trustees (who are the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

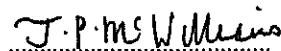
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board on 7.12.15 and signed on its behalf by:



J McWilliams
Governor and trustee

St Ives Infant School

Independent Auditor's Report on the Financial Statements to the Members of St Ives Infant School

We have audited the financial statements of St Ives Infant School for the year ended 31 August 2015, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Cash Flow Statement and the related notes. 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). The financial statements have been prepared under the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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 charity'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 governors and auditors

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 16), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 financial statements are prepared is consistent with the financial statements.

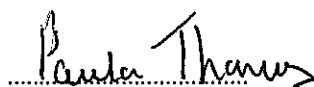
St Ives Infant School

Independent Auditor's Report on the Financial Statements to the Members of St Ives Infant School (continued)

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.
- the trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take account of the small companies exemption in preparing the Trustees' Annual Report.



Paula Thomas BA FCA DChA (Senior Statutory Auditor)
For and on behalf of Walker Moyle Ltd, Statutory Auditor

Alverton Pavilion
Trewithen Road
Penzance
Cornwall
TR18 4LS

16 December 2015

St Ives Infant School

Independent Reporting Accountant's Report on Regularity to St Ives Infant School and the Education Funding Agency

In accordance with the terms of our engagement letter dated 13 November 2015 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 St Ives Infant School during the period 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 St Ives Infant School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to St Ives Infant 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 St Ives Infant School and the EFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of St Ives Infant School's funding agreement with the Secretary of State for Education dated 1 September 2011 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. 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 from 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 the Education Funding Agency. 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:

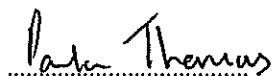
- reviewing internal controls and testing a sample to ensure they are being correctly implemented
- reviewing the minutes of meetings of the trustees' and the finance and premises committee.
- reviewing a sample of expenditure incurred during the year and confirming it was in accordance with the academy's framework and charitable objectives.

St Ives Infant School

Independent Reporting Accountant's Report on Regularity to St Ives Infant School and the Education Funding Agency (continued)

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Paula Thomas BA FCA DChA

For and on behalf of Walker Moyle Ltd, Chartered Accountants

Alverton Pavilion
Trewithen Road
Penzance
Cornwall
TR18 4LS

16 December 2015

St Ives Infant School

Statement of Financial Activities for the Year Ended 31 August 2015 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £	Total 2014 £
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Voluntary income	2	14,915	832	-	15,747	19,910
Activities for generating funds	3	25,037	-	-	25,037	22,273
Investment income	4	191	-	-	191	454
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	5	-	872,290	6,012	878,302	903,807
Total incoming resources		40,143	873,122	6,012	919,277	946,444
Resources expended						
<i>Charitable activities:</i>						
Academy's educational operations	7	9,884	907,053	27,687	944,624	887,462
Governance costs	8	-	21,875	-	21,875	19,731
Total resources expended	6	9,884	928,928	27,687	966,499	907,193
Net incoming/(outgoing) resources before transfers		30,259	(55,806)	(21,675)	(47,222)	39,251
Gross transfers between funds		(34,573)	34,573	-	-	-
Net (expenditure)/income for the year		(4,314)	(21,233)	(21,675)	(47,222)	39,251
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	24	-	6,000	-	6,000	(59,000)
Net movement in deficit		(4,314)	(15,233)	(21,675)	(41,222)	(19,749)
Reconciliation of funds						
Funds/(deficit) brought forward at 1 September 2014		62,453	(123,707)	1,494,929	1,433,675	1,453,424

St Ives Infant School

Statement of Financial Activities for the Year Ended 31 August 2015
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) (continued)

Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £	Total 2014 £
Funds/(deficit) carried forward at 31 August 2015	<u>58,139</u>	<u>(138,940)</u>	<u>1,473,254</u>	<u>1,392,453</u>	<u>1,433,675</u>

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

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

St Ives Infant School

(Registration number: 07713374)
Balance Sheet as at 31 August 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	12	1,485,139	1,486,485
Current assets			
Stocks	13	2,912	3,366
Debtors	14	14,647	68,683
Cash at bank and in hand		<u>120,606</u>	<u>136,914</u>
		138,165	208,963
Creditors: Amounts falling due within one year	15	<u>(72,851)</u>	<u>(118,773)</u>
Net current assets		<u>65,314</u>	<u>90,190</u>
Total assets less current liabilities		<u>1,550,453</u>	<u>1,576,675</u>
Net assets excluding pension liability		1,550,453	1,576,675
Pension scheme liability	24	<u>(158,000)</u>	<u>(143,000)</u>
Net assets including pension liability		<u><u>1,392,453</u></u>	<u><u>1,433,675</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		19,060	19,293
Restricted fixed asset fund		1,473,254	1,494,929
Restricted pension fund		<u>(158,000)</u>	<u>(143,000)</u>
		1,334,314	1,371,222
Unrestricted funds			
Unrestricted general fund		<u>58,139</u>	<u>62,453</u>
Total funds		<u><u>1,392,453</u></u>	<u><u>1,433,675</u></u>

The financial statements on pages 21 to 44 were approved by the Trustees, and authorised for issue on 7.12.15 and signed on their behalf by:



J McWilliams
Governor and trustee

St Ives Infant School

Cash Flow Statement for the Year Ended 31 August 2015

	Note	2015 £	2014 £
Net cash inflow from operating activities	19	10,066	85,478
Returns on investments and servicing of finance	20	191	454
Capital expenditure and financial investment	21	<u>(26,565)</u>	<u>(102,901)</u>
Decrease in cash in the year	22	<u><u>(16,308)</u></u>	<u><u>(16,969)</u></u>
Reconciliation of net cash flow to movement in net funds			
Decrease in cash in the year		(16,308)	(16,970)
Net funds at 1 September 2014		<u>136,914</u>	<u>153,884</u>
Net funds at 31 August 2015		<u><u>120,606</u></u>	<u><u>136,914</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015

1 Accounting policies

Basis of preparation

The financial statements 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 Annual Accounts Direction issued by the Education Funding Agency, the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (2008). A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

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 financial statements.

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.

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.

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

1 Accounting policies (continued)

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 Academy Trust's policies.

Resources expended

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

All resources expended are inclusive of irrecoverable VAT.

Cost 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 Governor's meetings and reimbursed expenses. 10% of the Principal's gross salary and 20% of the Academy's administration gross salaries have been allocated to governance costs.

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Buildings and leasehold land are subsequently carried at revalued amounts less accumulated depreciation and accumulated impairment losses. A full valuation, undertaken by a qualified valuer, is performed at least every 5 years. Interim valuations are conducted where it is likely that there has been a material change in value.

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 over its expected useful lives, per the table below.

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

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

Asset class	Depreciation method and rate
Long leasehold buildings	Equally over 50 years
Fixtures, fittings and equipment	Equally over 10 years
ICT equipment	Equally over 3 years
Paintings	No depreciation

Leased assets

Rentals under operating leases are charged equally over the term of the lease.

Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

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.

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

1 Accounting policies (continued)

Pension 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, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), 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 the notes to the financial statements, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

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 and other 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 Education Funding Agency.

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Educational trips and visits	9,236	-	9,236	6,167
Other donations	5,679	832	6,511	2,924
Donation (Elliott Huts Leasehold)	-	-	-	10,819
	<u>14,915</u>	<u>832</u>	<u>15,747</u>	<u>19,910</u>

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

3 Activities for generating funds

	Unrestricted funds	Total	Total
	2015	2015	2014
	£	£	£
Hire of facilities	1,516	1,516	3,584
Catering income	498	498	16,340
Other sales	23,023	23,023	2,349
	<u>25,037</u>	<u>25,037</u>	<u>22,273</u>

4 Investment income

	Unrestricted funds	Total	Total
	2015	2015	2014
	£	£	£
Short term deposits	<u>191</u>	<u>191</u>	<u>454</u>

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

5 Funding for Academy's educational operations

	Restricted funds £	Restricted fixed asset funds £	Total 2015 £	Total 2014 £
DfE/EFA capital grants				
Devolved Formula Capital Grant	-	6,012	6,012	5,946
Academies Capital Maintenance	-	-	-	76,960
	<u>-</u>	<u>6,012</u>	<u>6,012</u>	<u>82,906</u>
DfE/EFA revenue grants				
General Annual Grant (GAG)	670,357	-	670,357	653,550
Pupil Premium	68,647	-	68,647	51,922
Other	8,500	-	8,500	8,570
Universal Infant Free School Meals	46,104	-	46,104	-
	<u>793,608</u>	<u>-</u>	<u>793,608</u>	<u>714,042</u>
Other government grants				
Nursery funding	62,941	-	62,941	77,974
Other	15,741	-	15,741	28,885
	<u>78,682</u>	<u>-</u>	<u>78,682</u>	<u>106,859</u>
Total grants	<u>872,290</u>	<u>6,012</u>	<u>878,302</u>	<u>903,807</u>

6 Resources expended

	Staff costs £	Premises £	Other costs £	Total 2015 £	Total 2014 £
Academy's educational operations					
Direct costs	613,945	-	67,816	681,761	646,866
Allocated support costs	<u>114,895</u>	<u>106,639</u>	<u>41,329</u>	<u>262,863</u>	<u>240,596</u>
	728,840	106,639	109,145	944,624	887,462
Governance costs including allocated support costs					
	<u>19,375</u>	<u>-</u>	<u>2,500</u>	<u>21,875</u>	<u>19,731</u>
	<u>748,215</u>	<u>106,639</u>	<u>111,645</u>	<u>966,499</u>	<u>907,193</u>

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

6 Resources expended (continued)

Net incoming/outgoing resources for the year include:

	2015 £	2014 £
Operating leases:		
Operating leases - plant and machinery	1,690	2,925
Fees payable to auditor - audit	2,500	2,615
Other audit/accountancy services	4,955	3,696
Depreciation	27,911	25,266

Resources expended

	Total £	Reason
Gifts made by the trust	291	Gifts and flowers to staff on birthday/occasions.

7 Charitable activities

	Total 2015 £	Total 2014 £
Direct costs - educational operations		
Teaching and educational support staff costs	613,945	567,669
Educational supplies	42,019	46,553
Staff development	9,171	7,122
Other direct costs	16,626	25,522
	<u>681,761</u>	<u>646,866</u>
Support costs - educational operations		
Support staff costs	114,895	95,097
Depreciation	27,911	25,266
Maintenance of premises and equipment	9,194	12,964
Cleaning	28,498	27,464
Rent, rates and utilities	14,310	14,717
Insurance	26,726	26,142
Security and transport	618	1,512
Catering	18,360	11,581
Bank interest and charges	284	249
Other support costs	22,067	25,604
	<u>262,863</u>	<u>240,596</u>
Total direct and support costs	<u>944,624</u>	<u>887,462</u>

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

8 Governance costs

	Total 2015 £	Total 2014 £
Auditors' remuneration		
Audit of financial statements	2,500	2,615
Support costs	19,375	17,116
	<u>21,875</u>	<u>19,731</u>

9 Staff

Staff costs

	2015 £	2014 £
Staff costs during the year were:		
Wages and salaries	585,322	539,570
Social security costs	33,880	29,293
Pension costs	111,357	87,838
Supply teacher costs	17,656	21,766
	<u>748,215</u>	<u>678,467</u>

Staff numbers

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

	2015 No	2014 No
Charitable Activities		
Teachers	9	10
Administration and support	14	14
	<u>23</u>	<u>24</u>

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

	2015 No	2012 No
£60,001 - £70,000	<u>1</u>	<u>1</u>

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

9 Staff (continued)

8 (2014 - 10) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £45,331 (2014 - £49,035). 12 (2014 - 10) of the above employees participated in the Local Government Pension Scheme, pension contributions amounted to £66,026 (2014 - £38,803).

10 Related party transactions - trustees' remuneration and expenses

The Principal and 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, or expenses, from the Academy in respect of their role as trustees. The value of trustees' remuneration was as follows:

J Dean (Principal):

Remuneration: £60,000 - £65,000 (2014 - £60,000 - £65,000)

Employer's pension contributions: £5,000 - £10,000 (2014 - £5,000 - £10,000)

R Smith (Staff Governor):

Remuneration: £35,000 - £40,000 (2014 - £Nil)

Employer's pension contributions: £0 - £5,000 (2014 - £Nil)

G Davies (Staff Governor):

Remuneration: £10,000 - £15,000 (2014 - £10,000 - £15,000)

Employer's pension contributions: £0 - £5,000 (2014 - £0 - £5,000)

Other related party transactions involving the trustees are set out in note 25.

11 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £796 (2014 - £773).

The cost of this insurance is included in the total insurance cost.

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

12 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost or Valuation				
At 1 September 2014	1,503,126	10,036	20,661	1,533,823
Additions	<u>15,271</u>	<u>8,935</u>	<u>2,359</u>	<u>26,565</u>
At 31 August 2015	<u>1,518,397</u>	<u>18,971</u>	<u>23,020</u>	<u>1,560,388</u>
Depreciation				
At 1 September 2014	33,722	847	12,769	47,338
Charge for the year	<u>20,078</u>	<u>1,897</u>	<u>5,936</u>	<u>27,911</u>
At 31 August 2015	<u>53,800</u>	<u>2,744</u>	<u>18,705</u>	<u>75,249</u>
Net book value				
At 31 August 2015	<u>1,464,597</u>	<u>16,227</u>	<u>4,315</u>	<u>1,485,139</u>
At 31 August 2014	<u>1,469,404</u>	<u>9,189</u>	<u>7,892</u>	<u>1,486,485</u>

The trust's transactions relating to land and buildings included:

- the leasehold property was revalued on 1 April 2012 to £1,134,182 by the Local Authority, Cornwall Council. This is an external party to the Academy. The basis of the valuation is in accordance with FRS15. There has been no change to the valuation this year as the Trustees' do not consider there has been a material change. The historical cost (valuation of transfer received from local authority on conversion) was £994,782. Accumulated depreciation on the historic cost amounts to £32,829.

13 Stock

	2015 £	2014 £
Stock	<u>2,912</u>	<u>3,366</u>

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

14 Debtors

	2015 £	2014 £
Trade debtors	130	6,348
Prepayments	13,016	3,407
Accrued grant and other income	-	46,673
VAT recoverable	1,501	12,255
	<u>14,647</u>	<u>68,683</u>

15 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	15,504	24,997
Other creditors	343	342
Accruals	30,110	66,599
Deferred income	26,894	26,835
	<u>72,851</u>	<u>118,773</u>

	2015 £
Deferred income at 1 September 2014	26,835
Resources deferred in the period	26,894
Amounts released from previous periods	<u>(26,835)</u>
Deferred income at 31 August 2015	<u>26,894</u>

At the balance sheet date the Academy Trust was holding Universal Infant Free School Meals funds received in advance of the Autumn term 2015.

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

16 Funds

	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2015 £
Restricted general funds					
Special Education Needs	-	10,889	(10,889)	-	-
3/4 year old free nursery places	-	62,940	(86,013)	23,073	-
General Annual Grant	-	670,357	(681,857)	11,500	-
Pupil Premium	17,996	68,648	(72,730)	-	13,914
Nursery Development Programme	-	3,000	(3,000)	-	-
Family Learning	-	1,853	(1,443)	-	410
Fundraising for other charities	-	831	(831)	-	-
PE and Sports grant	1,297	8,500	(7,649)	-	2,148
Universal Infant Free School Meals	-	46,104	(43,516)	-	2,588
	<u>19,293</u>	<u>873,122</u>	<u>(907,928)</u>	<u>34,573</u>	<u>19,060</u>
Restricted fixed asset funds					
Devolved Formula Capital Grant	17,443	6,012	(1,336)	-	22,119
Backlog Maintenance	35,664	-	(759)	-	34,905
Transferred to the academy on conversion	976,411	-	(11,426)	-	964,985
From GAG or other funds	49,358	-	(6,698)	-	42,660
Revaluation Reserve	136,333	-	(1,533)	-	134,800
New Roof	191,327	-	(3,880)	-	187,447
Jubilee Room	666	-	(68)	-	598
Elliott Huts	10,819	-	(216)	-	10,603
ACMF	76,908	-	(1,771)	-	75,137
	<u>1,494,929</u>	<u>6,012</u>	<u>(27,687)</u>	<u>-</u>	<u>1,473,254</u>
Restricted pension funds					
Pension Fund	<u>(143,000)</u>	<u>-</u>	<u>(21,000)</u>	<u>6,000</u>	<u>(158,000)</u>
Total restricted funds	<u>1,371,222</u>	<u>879,134</u>	<u>(956,615)</u>	<u>40,573</u>	<u>1,334,314</u>
Unrestricted funds					
Unrestricted general funds	<u>62,453</u>	<u>40,143</u>	<u>(9,884)</u>	<u>(34,573)</u>	<u>58,139</u>
Total funds	<u><u>1,433,675</u></u>	<u><u>919,277</u></u>	<u><u>(966,499)</u></u>	<u><u>6,000</u></u>	<u><u>1,392,453</u></u>

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

16 Funds (continued)

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

Special Educational Needs - Funding received is restricted to assist children with special educational needs.

3/4 year old nursery places - Funding received to fund nursery places.

General Annual Grant - This is the main source of funding for the Academy to fund its educational operations. The transfer of £11,500 represents further GAG expenditure funded by the Academy's unrestricted reserves.

Pupil Premium - Funding is allocated to schools to close the gap in attainment between children from lower income families and their peer group. The balance will be carried forward to assist the school in future years.

Family Learning - Cornwall Council provide funding to enable the academy to run this activity.

Other Restricted Grants/Donations have been received for and expended for the purpose described.

Fixed Asset Restricted funds have been expended for the purpose described.

Roof-Funding was received to enable the academy to replace its existing flat roof. The cost incurred is held within fixed assets.

Pension Scheme - This represents the deficit on the Local Government Pension Scheme. See Note 24 for details. As with most pension schemes this is currently in deficit due to the excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy will follow the recommendations of the actuary to reduce the deficit over a number of years.

A transfer has also been made from unrestricted funds to cover further nursery expenditure in the year above funding received.

Following the release of the Academies Financial Handbook 2013, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

17 Analysis of net assets between funds

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	14,384	-	1,470,755	1,485,139
Current assets	43,755	76,638	17,772	138,165
Current liabilities	-	(57,578)	(15,273)	(72,851)
Pension scheme liability	-	(158,000)	-	(158,000)
Total net assets	<u>58,139</u>	<u>(138,940)</u>	<u>1,473,254</u>	<u>1,392,453</u>

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

18 Financial commitments

Operating leases

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

Operating leases which expire:

	2015 £	2014 £
Other		
Within one year	-	1,690
Within two to five years	1,690	3,379
	<u>1,690</u>	<u>5,069</u>

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

	2015 £	2014 £
Net (expenditure)/income	(47,222)	39,251
Depreciation	27,911	25,265
Interest receivable	(191)	(454)
Decrease/(increase) in stocks	454	(290)
Decrease/(increase) in debtors	54,036	(47,122)
(Decrease)/increase in creditors	(45,922)	62,828
LGPS Liability	15,000	65,000
Actuarial gains on defined benefit pension schemes	6,000	(59,000)
Net cash inflow from operating activities	<u>10,066</u>	<u>85,478</u>

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

20 Returns on investments and servicing of finance

	2015 £	2014 £
Interest received	191	454
Net cash inflow from returns on investments and servicing of finance	<u>191</u>	<u>454</u>

21 Capital expenditure and financial investment

	2015 £	2014 £
Purchase of tangible fixed assets	<u>(26,565)</u>	<u>(102,901)</u>

22 Analysis of changes in net funds

	At 1 September 2014 £	Cash flows £	At 31 August 2015 £
Cash at bank and in hand	<u>136,914</u>	<u>(16,308)</u>	<u>120,606</u>

23 Members' liability

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

24 Pension and similar obligations

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Cornwall Council. Both are multi-employer 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 2012 and of the LGPS 31 March 2013.

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

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.

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 Pension and similar obligations (continued)

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

Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to TPS in the period amounted to £45,331 (2014 - £49,035).

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

Under the definitions set out in Financial Reporting Standard 17 (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £58,000 (2014 - £42,000), of which employer's contributions totalled £45,000 (2014 - £33,000) and employees' contributions totalled £13,000 (2014 - £9,000). The agreed contribution rates for future years are 19 per cent for employers and 5.5 - 9.9% per cent 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

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 Pension and similar obligations (continued)

Principal actuarial assumptions

	At 31 August 2015 %	At 31 August 2014 %
Rate of increase in salaries	4.60	4.50
Rate of increase for pensions in payment/inflation	2.70	2.70
Discount rate for scheme liabilities	3.80	3.70
Commutation of pensions to lump sums	<u>40.00</u>	<u>40.00</u>

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

	At 31 August 2015	At 31 August 2014
Retiring today		
Males retiring today	22	22
Females retiring today	24	24
Retiring in 20 years		
Males retiring in 20 years	24	24
Females retiring in 20 years	<u>27</u>	<u>27</u>

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

	At 31 August 2015 £	At 31 August 2014 £
Equities	173,000	185,000
Other bonds	210,000	140,000
Property	29,000	21,000
Cash	<u>8,000</u>	<u>4,000</u>
Total market value of assets	420,000	350,000
Present value of scheme liabilities - funded	<u>(578,000)</u>	<u>(493,000)</u>
Deficit in the scheme	<u>(158,000)</u>	<u>(143,000)</u>

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 Pension and similar obligations (continued)

The expected rates of return were:

	At 31 August 2015 %	At 31 August 2014 %
Equities	4	6
Other bonds	4	3
Property	4	5
Cash	<u>4</u>	<u>3</u>

The expected return on assets is based on the long-term future expected investment return for each asset class at the beginning of the period. The returns 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 £12,000 (2014 - £32,000).

Amounts recognised in the statement of financial activities

	2015 £	2014 £
Current service cost	<u>64,000</u>	<u>38,000</u>
Total operating charge	<u>64,000</u>	<u>38,000</u>

Analysis of pension finance income/(costs)

	2015 £	2014 £
Expected return on pension scheme assets	18,000	16,000
Interest on pension liabilities	<u>(20,000)</u>	<u>(17,000)</u>
Pension finance costs	<u>(2,000)</u>	<u>(1,000)</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is (£87,000) (2014 - (£93,000)).

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 Pension and similar obligations (continued)

Movements in the present value of defined benefit obligation

	2015	2014
	£	£
At 1 September	493,000	343,000
Current service cost	64,000	38,000
Interest cost	20,000	17,000
Employee contributions	13,000	9,000
Actuarial (gains)/losses	(11,000)	87,000
Benefits paid	<u>(1,000)</u>	<u>(1,000)</u>
At 31 August	<u><u>578,000</u></u>	<u><u>493,000</u></u>

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

	2015	2014
	£	£
At 1 September	350,000	265,000
Expected return on assets	18,000	16,000
Actuarial (losses)/gains	(5,000)	28,000
Employer contributions	45,000	33,000
Employee contributions	13,000	9,000
Benefits paid	<u>(1,000)</u>	<u>(1,000)</u>
At 31 August	<u><u>420,000</u></u>	<u><u>350,000</u></u>

The estimated value of employer contributions for next period is £48,000 (2014 - £37,000).

St Ives Infant School

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 Pension and similar obligations (continued)

History of experience adjustments

Amounts for the current and previous 3 periods are as follows:

	2015	2014	2013	2012
	£	£	£	£
Present value of scheme liabilities	(578,000)	(493,000)	(343,000)	(279,000)
Fair value of scheme assets	<u>420,000</u>	<u>350,000</u>	<u>265,000</u>	<u>200,000</u>
Deficit in the scheme	<u>(158,000)</u>	<u>(143,000)</u>	<u>(78,000)</u>	<u>(79,000)</u>
	2015	2014	2013	2012
	£	£	£	£
Experience adjustments arising on scheme assets	(5,000)	28,000	14,000	1,000
Experience adjustments arising on scheme liabilities	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>-</u>

Comparative figures have not been restated as permitted by FRS 17.

25 Related party transactions

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

During the year the academy made the following related party transactions:

Peter Davis Electrical Services

(G Lunt's (governor) husband is a partner in the business)

St Ives Infant School paid a total of £1,160 to Peter Davis Electrical Services during the year for electrical work done. At the balance sheet date the amount due to Peter Davis Electrical Services was £Nil (2014 - £Nil).