Annual Report and Financial Statements

For the Year ended 31 August 2013
For

St Andrew's Church of England Academy
(A Company Limited by Guarantee)

ST ANDREW'S CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2013

Company Registration Number:
08128214 (England and Wales)

ST ANDREW'S CHURCH OF ENGLAND ACADEMY
(A Company Limited by Guarantee)

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Reference and administrative details

The Governors that served during the year were:

Mrs P Bennison-Pauls, Parent (appointed 7 Jan 2013)
Mrs K E Bradbury, Parent (appointed 31 May 2010)
Mr I Burnley, Parent (appointed 31 May 2010)
Mr D J Clarke, Appointed by the members (appointed 31 Aug 2011)
Mrs I S Clarke, Co-opted (appointed 19 Nov 2012)
Mr B Getty, Foundation (appointed 03 Jul 2012, resigned 28 Mar 2013)
Mr M J Haslam, Appointed by the members (appointed 01 Sep 2012)
Mrs D Jenkins, Staff (appointed 03 Jul 2012, resigned 11 Feb 2013)
Mr R J Leggate, Foundation (appointed 19 Jul 2012)
Mrs L J Machin, Parent (appointed, resigned 23 Nov 2013)
Mr T J Peacock, Appointed by the members (appointed 1 Feb 2012)
Mrs P K Priestnall, Foundation (appointed, resigned 19 Sep 2013)
Mrs R S Ruddock, Staff (appointed 11 Sep 2011)
Rev A Smith, Foundation (Ex Offico)
Mr M R Webb, Parent (appointed 24 Mar 2010)
Mr M J Whalley, Head Teacher (Ex Offico)
Mr S Whiting, Co-opted (appointed 21 Jan 2013)

None of the Governors have any beneficial interest in the Company

Company Registered Number
08128214

Registered office
St Andrew's Church Of England Academy
King Edward Crescent
Woodhall Spa
LN10 6RQ
United Kingdom

Senior Leadership Team
Mr M J Whalley, Headteacher
Mrs K Martin, Assistant Headteacher
Mrs J Waites, Assistant Headteacher
Mrs J Carter, School Business Manager

Auditors
Duncan & Toplis
15 Chequergate
Louth
Lincs
LN11 0LJ

Bankers
Lloyds TSB
14 High Street
Horncastle
Lincs
LN9 5BL

Solicitors
Duncan A Pickering
4 Southfields
Bourne
Lincolnshire
PE10 9TZ

GOVERNORS REPORT FOR THE YEAR ENDED 31 AUGUST 2013

The Governors present their annual report together with the audited financial statements of the Academy for the period 1st August 2012 to 31 August 2013.

The Governors confirm that the annual report and financial statements comply with the current statutory requirements, the Academies Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice "Accounting and Reporting by Charities", issued March 2005.

Structure, Governance and Management

Constitution - The Academy is a Company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy.

The members of the Academy Trust are:

Mr I Burnley
Mr D Clarke
Mr M Webb
Lincoln Diocesan Trust and Board of Finance Limited

Members' Liability

Every member of the Academy Trust undertakes to contribute such amount as may be required (not exceeding £10) to the Academy Trust's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member, for payment of the Academy Trust's debts and liabilities before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

Governors' Indemnities

Governors benefit from indemnity insurance to cover the liability of the Governors which by virtue of any rule of law would otherwise attach them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the period was £750.00

Principal Activities

The principle activity of the Academy is to provide education, in the form of a curriculum satisfying the requirement of section 78 of the Education Act 2002, for pupils, of a differing range of abilities, who are wholly or mainly drawn from the area in which the school is situated.

Method of Recruitment and Appointment or Election of Governors –

The number of Governors shall be not less than three nor more than 15 except for appointments of any additional Governors made by the Secretary of State.

The academy trust shall have the following Governors:

- Upto three Governors appointed by the members of the Academy trust.
- Upto three Foundation Governors, including the incumbent, appointed by the Diocese.
- Upto two Staff Governors appointed by the members of the Academy trust through such process as they may determine
- A minumum of two Parent Governors appointed though an election process.
- The Head Teacher
- Upto two Governors Co-opted by the Governing Body

The term of office for any Governor shall be 4 years, save that this tme limit shall not apply to the head teacher or the Incumbant. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Governors

The training and induction provided for new Governors will depend on their existing experience. The Academy buys back into the Governor support package provided by CFBT and this includes a full programme of induction and training courses.

The Governor responsible for development maintains a log of all training completed and reports of training matters at every full Governing body meeting.

All governors are expected to complete the First Certificate in Governance and Safeguarding training within the first six months in office.

Organisational Structures

The Governors act as the Trustees for the charitable activities of St Andrews Church of England Academy and are also Directors for the purpose of company law.

The Governors are responsible for the overall management and control of the Academy and formally meet six times a year.

The reviewing and monitoring of the work of the Academy is delegated to the three sub-committees which are "Curriculum & Standards", "Finance and Property", "Staff and Pupil Welfare". The Committees meet at five or six times a year. They all work under the Chairmanship of a Governor appointed at the first committee meeting in each academic year. Terms of Reference of these committees are agreed annually at these meetings.
The Clerk to the Governing Body co-ordinates the work of the full Governing Body and each committee.

The School Business Manager prepares the accounts of the Academy on behalf of the Governors, is a member of the Finance and Property Committee and attends full Governing Body meetings. The Headteacher is the Accounting Officer.

The Governors determine the general policies of the Academy. The day to day running of the Academy is delegated to the Headteacher who is supported by the Senior Leadership Team. The Headteacher undertakes the key leadership role in the Academy but delegates the day to day educational, pastoral and administrative functions to members of the Senior Leadership Team. The day to day administration of the Academy is undertaken within the policies and procedures approved by the Governors.

All non-staff Governors give their time to the role freely and no remuneration or expenses were paid during the period.

Risk Management

The Governors are responsible for the overseeing of the risks faced by the Academy. Detailed considerations of risk are delegated to the Senior Leadership Team of the Academy. Risks were identified, assessed and controls established throughout the period. Risk is managed under the headings of strategic, reputational, operational, compliance and financial risks as recommended by the DfE Financial Handbook.

Through the risk management process the Governors are satisfied that the major risks identified will be adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks will be adequately managed.

Objectives and Activities

Objects and Aims

The principle objective of the Academy is to provide education for pupils in an environment where all are proud and want to participate; where they can develop; where they feel physically and emotionally safe; where respect, good manners and good behaviour towards others are the norm; where lessons are productive and well taught and the learning is productive; and where any mistakes are seen as learning opportunities from which we can grow. Operating within this environment we strive to ensure every single child believes in their own potential and takes pride in their achievements, whether they be academic, sporting, cultural, social or personal.

To deliver this objective the strategic work of the Academy has been focussed on four key themes, those being:

For all children to attain well according to their ability and to progress well irrespective of their ability. We strive to ensure that this is done by:

- ensuring that the highest standards are met within teaching and learning
- effective systems are in place for monitoring and challenging pupil performance
- treating all children as individuals and supporting their personal needs
- informing and supporting parents in matters relating to the education of their children

Ensuring that we have the most effective and capable workforce possible. In order to facilitate this we will:

- ensure all staff access a supportive but challenging appraisal system
- raise profile and accountability of Senior Teachers
- raise expectations through rigorous application of pupil progress measures
- review roles and responsibility of staff within the SLT and develop a middle management structure

Ensuring that we have an appropriate, diverse and exciting curriculum by:

- allowing children to have a say in what interests them when choosing project themes
- giving children the opportunities to enrich their lives and excel
- ensuring that, where possible, learning should be based on experience and real life context
- developing the use of theme days and weeks
- ensuring that sufficient time is allocated to different curriculum strands

Providing an environment where all members of the School Community are valued and supported and all decision making is made with the best interests of the children at its heart. We will:

- promote meaningful opportunities to reflect in our worship the Christian foundation of the school and its care for all who work here
- have appropriate systems in place to ensure that the school is safe
- support children and parents in regular school attendance
- provide an environment where we consult and listen to the views of all our stakeholders
- support all members of our School Community in any challenges they may meet
- ensure that all members of the School Community have a shared responsibility to the effective and efficient running of the school

Objectives, Strategies and Activities

The priorities for the period were:

1. Raise standards in writing across the school by ensuring that:

- pupils' spelling is consistently accurate
- pupils' develop neatly presented handwriting that is grammatically correct
- boys are presented with activities that motivate them to develop the skills to write at length and in depth.

2. Raise the quality of teaching so it is consistently good by:

- providing work that is closely matched to the needs of different groups of pupils and challenges those of higher abilities
- making sure that Teaching Assistants support pupils in an effective and well-focused manner
- extending the marking of pupils' work to make clear what they need to improve further.

3. Improve the effectiveness of leadership and management by:

- making sure that the monitoring of teaching and learning is rigorously evaluative and holds staff accountable for the progress of pupils
- extending the role of Governors in challenging Senior Leaders and identifying areas for further improvement.

Public Benefit

The Governors have complied with their duty to have due regard to exercise their powers to ensure that the trust is for the advancement of education, which includes the two clear principles of public benefit as published by the Charities Commission.

Achievements and Performance

St Andrew's has now completed its first year of operation as an Academy and continues to set strategic goals related to achievement, attainment and enrichment within a Church of England ethos. These goals are closely monitored by the Senior Leadership Team and Governing Body.

Our current procedures and system of self-review and external moderation identify the school as a "good school". This is supported by the following endorsements:

- The school was granted Academy status and converted in August 2012
- School Improvement Partners in 2013 agreed that school performance was at least good with aspects of outstanding

The attainment of children at the end of EYFS was significantly above the Local Authority average. Performance at the end of KS1 and KS2 showed a similar trend at both Local and National levels, with both KS1 children at the end of Year 2 and KS2 children at the end of Year 6 attaining at a level significantly above National age related expectations.

The impact of improved teaching and learning has ensured that progress in reading, writing and maths was at least good and often better for each year group in the Academic Year 2012 to 2013.

The effective tracking of pupil progress demonstrates the significant majority of children in the school are now attaining their challenging targets. In the Academic Year 2012 to 2013 the progress made by children at the end of Year 6 was comparable to the progress made by children in the top 20% of schools Nationally.

To ensure that high standards are maintained and raised further where possible the Academy:

- has a comprehensive School Development and Improvement Plan
- operates a monitoring strategy that includes a full review of teaching and learning throughout the school
- has contracted the services of outside Professional Agencies to provide external moderation and support self evaluation
- undertakes a comprehensive review on performance data regularly over the year and a full benchmarking review against Local and National data in EYFS, at the end of Key Stage 1 and at the end of Key Stage 2.
- implements a comprehensive appraisal programme for all staff

School sporting achievements have gone from strength to strength with the school achieving the Sainsbury School Games "Silver" Kitemark Award for whole school sporting provision and subsequently the Gold Award for 2013. The school offers a comprehensive sports provision both within the curriculum and through extra-curricular activities. In 2012 and 2013, the school was the only Lincolnshire School to enter multiple teams in both these Lincolnshire School County Games and also be multiple winners in both.

In addition the school is currently holding awards for "Eco-Schools", Heart Start, Healthy Schools and is one of a limited number of schools who have been awarded the International School Award.

Based on our Parental Questionnaire of summer 2013, all parents responded that they would recommend the school to a friend.

Going Concern

After making appropriate enquiries, the board of Governors 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.

Key Financial Performance Indicators

As funding is based on pupil numbers this is key indicator. Pupil numbers in 2012 – 2013 were 264, which is in increase from 253 in 2011 – 2012.

Another key financial indicator is the staffing costs as a percentage of GAG. For this period this was 83.6%.

Financial Review

Most of the Academy's income is obtained from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2013 and the associated expenditure are shown in the statement of financial activities.

The Academy is on a sound financial footing and is regularly scrutinised through the work of the Finance and Property Committee as well as the Responsible Officer Julie Castledine of Lincolnshire Audit. The Responsible Officer meets with the SBM regularly in line with the Academy regulations.

Key spending within the Academy is linked to the delivery of the School Development and Improvement Plan. Where spending falls outside this remit the implications of the expenditure is discussed by the Finance and Property Committee and a decision reached by the Governing Body.

Reserves Policy

It is the policy of the Academy that financial reserves have been held to future proof the Academy in terms of capital projects for an increasing student roll, as well as prudency in relation to business contingencies.

Unrestricted funds that have not been designated for specific use will be maintained at a level equivalent to between three and six months expenditure.

Investment Policy

It is the policy to invest any surplus funds in low risk short term bank deposits.

Plans for Future Periods

The plans for the future period are articulated and published in the School Development and Improvement Plan. The four strategic strands outlined in the plan are:

- To promote high standards
- To pursue the highest standards of professional competence for all staff
- To promote a curriculum that maximises the opportunities for learning through the development of a meaningful, relevant and engaging curriculum
- To encourage an effective, reflective, caring & supportive corporate school

Funds Held as Custodian Trustee on Behalf of Others

No funds are held as Custodian Trustee on behalf of others.

Auditors

In so far as the Governors are aware:

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

The Auditors, Duncan and Toplis, are contracted to continue in office until August 2015.

Approved by order of the members of the Governing Body on 11 December 2013 and signed on its behalf by:

Mr Iain Burnley
Chair of Governors

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Governors, we acknowledge we have overall responsibility for ensuring that St Andrew's Church of England Academy Trust 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 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 The St Andrew's Church of England Academy Trust 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

Attendance during the period at meetings of the governing body in the period was as follows:

Governor	Meetings attended out of a possible 8
Iain Burnley	8
David Clarke	4
Kathryn Bradbury	8
Isabel Clarke	7
Bill Getty	2 (out of 4)
Pip Bennison-Pauls	5 (out of 5)
Matthew Haslam	3
Di Jenkins	2 (out of 5)
Richard Leggate	7
Louise Machin	0 (out of 2)
Tim Peacock	4
Kay Priestnall	1 (out of 1)
Rachel Ruddock	8
Rev Andrew Smith	5
Mark Webb	6
John Whalley	8
Shaun Whiting	4 (out of 5)

The Governing Body has three sub-committees:

Curriculum and Standard Committee

The Curriculum and Standards Committee review the School's curriculum policies on a regular basis to ensure that they comply with all appropriate legal requirements, ensure that teaching programmes and opportunities comply with all appropriate equality and diversity legislation, ensure that the School meets the legal requirements for pupil assessments, monitor the delivery of the National Curriculum, make recommendations to the Full Governing Body on arrangements for Collective Worship and the provision of Religious Education, make recommendations to the Full Governing Body on the policy for the provision of Sex Education and the delivery of PSHE in school, review annual class organisation and class size with the Senior Management Team and make recommendations to and inform the Governing Body, recommend to the Governing Body the targets to be achieved by pupils at the end of Key Stage 2, review the quality of reporting to parents annually, review attainment and progress of all pupils, monitor and evaluate curriculum related targets within the School Development plan, establish a review on curriculum complaints procedure, review and monitor the School's Additional Needs Code of Practice, in consultation with the Headteacher and the Additional Needs Co-Ordinator, ensure that the Additional Needs Governor monitors the implementation of the Additional Needs policy

Governor	Meetings attended out of a possible 5
Kathryn Bradbury	5
Bill Getty	1 (out of 2)
Pip Bennison-Pauls	3 (out of 3)
Richard Leggate	5
Tim Peacock	4
Rachel Ruddock	4
Rev Andrew Smith	4
John Whalley	5

Staff and Pupil Welfare Committee

The Staff and Pupil Welfare Committee review the staffing structure in consultation with the Headteacher and the Finance and Premises Committee in March and June, oversee the appointment procedure for all staff which has been delegated to the SLT, establish and review a Performance Management policy for all staff, oversee the process leading to staff reductions, keep under review staff work/life balance, working conditions and well-being, including the monitoring of absence, make recommendations on personnel related expenditure to the Finance Committee, consider any query re decisions on pay grading or pay awards, oversee and advise on the training and development of staff, take primary responsibility for matters concerning staff welfare and ensure appropriate safeguarding procedures are agreed, review and make recommendations on any personnel related policies, receive reports from the Senior Administrator, ensure the Single Central Register is maintained and current, review and monitor the Equality and Diversity Plan, oversee the drafting of appropriate Policy Documents to the full Governing Body (e.g. Equal Opportunities), oversee the drafting of the school prospectus (meeting legal requirements) and recommendations for its publication and distribution to the Governing Body, be responsible on behalf of the Governing Body for ensuring that all matters of pupil health and welfare (e.g. school meals) are adequately provided for, oversee home/school and community/business links, oversee, monitor and advise on the implication of all matters relating to child protection and safeguarding, oversee the drafting of school discipline/behaviour policy and recommendations for Governing Body approval, oversee the drafting of the Home School agreement and recommendations for Governing Body approval, ensure that pupil attendance arrangements meet statutory requirements, oversee and authorise the procedures for school visits in line with school policy and legal requirement, oversee the drafting of the School Profile, oversee the drafting of the SEN policy and make recommendations for Governing Body approval, monitor the implementation of the SEN Code of Practice and provision for pupils with Statements and those on the SEN/GNT register.

Governor	**Meetings attended out of a possible 5**
Isabel Clarke	5
Pip Bennison-Pauls	2 (out of 3)
Matthew Haslam	3
Di Jenkins	1 (out of 2)
Richard Leggate	3 (out of 3)
John Whalley	

Finance and Premises

The Finance Handbook contains the Terms of Reference, duties and powers of the Headteacher and the Finance and Premises committee.

With regard to Premises and Health and Safety, the Committee advise the Governing Body on priorities, including Health and Safety, for the maintenance and development of the school's premises, oversee arrangements for repairs and maintenance, make recommendations to the Full Governing Body on premises-related expenditure, in consultation with the Headteacher and the Finance Committee, oversee premises-related funding bids, oversee arrangements, including Health and Safety, for the use of school premises by outside users, subject to governing body policy, establish and keep under review a Building Development Plan, establish and keep under review an Accessibility plan and make recommendations and allocate Devolved Capital, and monitor the spend.

Governor	Meetings attended out of a possible 6
Iain Burnley	5
David Clarke	4
Richard Leggate	2 (out 0f 3)
Mark Webb	5
John Whalley	6
Shaun Whiting	2 (out of 2)

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 The St Andrew's Church of England Academy Trust for the period ended 31 August 2013 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 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's significant risks that has been in place for the period ending 31 August 2013 and up to the date of approval of the
Annual Report and Financial Statements. This process is regularly reviewed by the Governing Body.

THE RISK AND CONTROL FRAMEWORK

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

In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Finance and Property 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 decided to appoint an external third party, Lincolnshire Audit, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a termly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

REVIEW OF EFFECTIVENESS

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

- the Governing Body;
- the work of the Responsible Officer;
- the work of the external auditor;
- the Financial Management and Governance Self-assessment process;

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Property and Finance 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 Wednesday 11 December 2013 and signed on their behalf, by:

Mr Iain Burnley
Chair of Governors

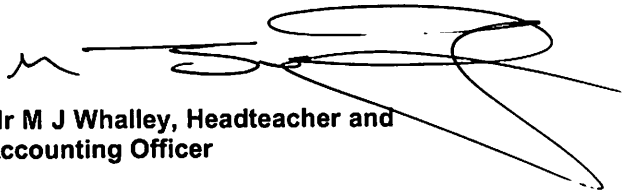
Mr M J Whalley
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of St Andrew's Church of England Academy I have considered my responsibility to notify the Academy board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2012).

I confirm that I and the Academy board of trustees are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook (2012).

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.



Mr M J Whalley, Headteacher and Accounting Officer

Date: 11 December 2013

TRUSTEES' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 AUGUST 2013

The Trustees (who act as governors of St Andrew's Church of England Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

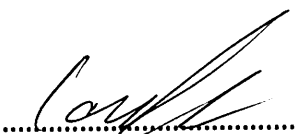
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 11 December 2013 and signed on its behalf by:



Mr Iain Burnley
Chair of Trustees

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST ANDREW'S CHURCH OF ENGLAND ACADEMY

We have audited the financial statements of St Andrew's Church of England Academy for the period ended 31 August 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST ANDREW'S CHURCH OF ENGLAND ACADEMY

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.

T. G. Godson.

T G Godson BA (Hons) FCA (Senior statutory auditor)

for and on behalf of

Duncan & Toplis

Chartered Accountants and Statutory Auditors

4 Henley Way
Doddington Road
Lincoln
Lincolnshire
LN6 3QR
Date: 11 December 2013

INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO ST ANDREW'S CHURCH OF ENGLAND ACADEMY AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 19 September 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Andrew's Church of England Academy during the period 3 July 2012 to 31 August 2013 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 Andrew's Church of England Academy and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St Andrew's Church of England Academy 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 Andrew's Church of England Academy and the EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF ST ANDREW'S CHURCH OF ENGLAND ACADEMY'S ACCOUNTING OFFICER AND THE REPORTING AUDITORS

The accounting officer is responsible, under the requirements of St Andrew's Church of England Academy's funding agreement with the Secretary of State for Education dated 1 August 2012, and the Academies Financial Handbook extant from 2006, 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. 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 3 July 2012 to 31 August 2013 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2013 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's income and expenditure.

INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO ST ANDREW'S CHURCH OF ENGLAND ACADEMY 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 3 July 2012 to 31 August 2013 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

T. G. Godson.

T G Godson BA (Hons) FCA (Senior statutory auditor)

for and on behalf of

Duncan & Toplis

Chartered Accountants and Statutory Auditors

4 Henley Way
Doddington Road
Lincoln
Lincolnshire
LN6 3QR

Date: 11 December 2013

ST ANDREW'S CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating Income and Expenditure account and Statement of Recognised Gains and Losses)
FOR THE PERIOD ENDED 31 AUGUST 2013

	Note	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	14,053	-	-	14,053
Activities for generating funds	3	37,726	-	-	37,726
Investment income	4	771	-	-	771
Incoming resources from charitable activities	5	-	1,244,149	6,846	1,250,995
Other incoming resources		56,204	(144,000)	2,008,000	1,920,204
TOTAL INCOMING RESOURCES		108,754	1,100,149	2,014,846	3,223,749
RESOURCES EXPENDED					
Charitable activities		35,573	1,167,300	38,972	1,241,845
Governance costs	7	-	27,613	-	27,613
TOTAL RESOURCES EXPENDED	10	35,573	1,194,913	38,972	1,269,458
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE TRANSFERS		73,181	(94,764)	1,975,874	1,954,291
Transfers between Funds	20	-	(11,811)	11,811	-
NET INCOME FOR THE YEAR		73,181	(106,575)	1,987,685	1,954,291
Actuarial gains and losses on defined benefit pension schemes		-	1,000	-	1,000
NET MOVEMENT IN FUNDS FOR THE YEAR		73,181	(105,575)	1,987,685	1,955,291
Total funds at 3 July 2012		-	-	-	-
TOTAL FUNDS AT 31 AUGUST 2013		73,181	(105,575)	1,987,685	1,955,291

All of the Academy's activities derive from acquisitions in the current financial period.

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

The notes on pages 26 to 47 form part of these financial statements.

ST ANDREW'S CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 08128214

BALANCE SHEET
AS AT 31 AUGUST 2013

	Note	£	2013 £
FIXED ASSETS			
Tangible assets	17		1,987,685
CURRENT ASSETS			
Debtors	18	45,978	
Cash at bank		163,565	
		209,543	
CREDITORS: amounts falling due within one year	19	(98,937)	
NET CURRENT ASSETS			110,606
TOTAL ASSETS LESS CURRENT LIABILITIES			2,098,291
Defined benefit pension scheme liability	27		(143,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			1,955,291
FUNDS OF THE ACADEMY			
Restricted funds:			
Restricted funds	20	37,425	
Restricted fixed asset funds	20	1,987,685	
Restricted funds excluding pension liability		2,025,110	
Pension reserve		(143,000)	
Total restricted funds			1,882,110
Unrestricted funds	20		73,181
TOTAL FUNDS			1,955,291

The financial statements were approved by the Trustees, and authorised for issue, on 11 December 2013 and are signed on their behalf, by:

.....

Iain Burnley
Chair of Trustees

The notes on pages 26 to 47 form part of these financial statements.

CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2013

	Note	2013 £
Net cash flow from operating activities	22	**119,013**
Returns on investments and servicing of finance	23	**159**
Capital expenditure and financial investment	23	**(11,811)**
Cash transferred on conversion to an academy trust	25	**56,204**
INCREASE IN CASH IN THE PERIOD		**163,565**

All of the cash flows are derived from acquisitions in the current financial period.

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE PERIOD ENDED 31 AUGUST 2013

	2013 £
Increase in cash in the period	**163,565**
MOVEMENT IN NET FUNDS IN THE PERIOD	**163,565**
NET FUNDS AT 31 AUGUST 2013	**163,565**

The notes on pages 26 to 47 form part of these financial statements.

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Fund accounting

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

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

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

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

1.3 Incoming resources

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

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

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

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long leasehold property	-	2% straight line
Plant and machinery	-	25% straight line
Fixtures and fittings	-	25% straight line
Computer equipment	-	33% straight line

1. ACCOUNTING POLICIES (continued)

1.7 Operating leases

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

1.8 Taxation

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

1.9 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 27, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

1. ACCOUNTING POLICIES (continued)

1.10 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £Nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from St Andrews Church of England Primary School to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for St Andrew's Church of England Academy. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

The value of freehold and leasehold land and buildings transferred have been included in these accounts as per the notes to the accounts and depreciated over 50 years. Other assets transferred included a cash balance of £56,204.

Further details of the transaction are set out in note 25.

2. VOLUNTARY INCOME

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Donations	2,714	-	2,714
School trip income	11,339	-	11,339
Voluntary income	14,053	-	14,053

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Lettings income	4,882	-	4,882
Catering income	15,411	-	15,411
Other income	17,433	-	17,433
	37,726	-	37,726

4. INVESTMENT INCOME

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Bank account interest	771	-	771

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Funding for the Academy's educational operations	-	1,250,995	1,250,995

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
DfE/EFA grants			
General Annual Grant (GAG)	-	1,100,424	1,100,424
Start Up Grant	-	20,000	20,000
Pupil Premium	-	29,699	29,699
Devolved Formula Capital grant	-	6,846	6,846
	-	1,156,969	1,156,969
Other government grants			
SEN 1-1 Funding	-	73,374	73,374
Other Local Authority revenue grants	-	19,452	19,452
Other government revenue grants	-	1,200	1,200
	-	94,026	94,026
	-	1,250,995	1,250,995

6. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Funding for the Academy's educational operations	35,573	1,206,272	1,241,845

SUMMARY BY EXPENDITURE TYPE

	Staff costs 2013 £	Depreciation 2013 £	Other costs 2013 £	Total 2013 £
Funding for the Academy's educational operations	944,070	38,972	258,803	1,241,845

7. GOVERNANCE COSTS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Auditors' remuneration	-	5,250	5,250
Legal and professional fees	-	22,363	22,363
	-	27,613	27,613

8. DIRECT COSTS

	Educational operations £	Total 2013 £
Educational supplies	18,109	18,109
Technology costs	11,518	11,518
Staff development	11,515	11,515
Other costs	27,717	27,717
Operating leases - other	10,003	10,003
Wages and salaries	683,832	683,832
National insurance	41,678	41,678
Pension cost	103,850	103,850
Depreciation	38,972	38,972
	947,194	947,194

9. SUPPORT COSTS

	Educational operations £	Total 2013 £
Other finance income less expenses	5,000	5,000
Technology costs	714	714
Pupil recruitment and support	531	531
Maintenance of premises and equipment	41,613	41,613
Cleaning	17,706	17,706
Rent and rates	5,744	5,744
Energy costs	10,617	10,617
Insurance	28,025	28,025
Security	492	492
Transport	6,280	6,280
Telephone, postage and stationery	14,514	14,514
Catering	30,543	30,543
Other costs	18,066	18,066
Bank interest and charges	96	96
Wages and salaries	94,161	94,161
National insurance	4,994	4,994
Pension cost	15,555	15,555
	294,651	294,651

10. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2013 £	Depreciation 2013 £	Other costs 2013 £	Total 2013 £
Direct costs - Funding for the Academy's educational operations	829,360	38,972	78,862	947,194
Support costs - Funding for the Academy's educational operations	114,710	-	179,941	294,651
Charitable activities	944,070	38,972	258,803	1,241,845
Governance	-	-	27,613	27,613
	944,070	38,972	286,416	1,269,458

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2013

11. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2013 £	Support costs 2013 £	Total 2013 £
Funding for the Academy's educational operations	**947,194**	**294,651**	**1,241,845**

12. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging:

	2013 £
Depreciation of tangible fixed assets:	
- owned by the charity	**38,972**
Auditors' remuneration	**5,250**

13. STAFF COSTS

Staff costs were as follows:

	2013 £
Wages and salaries	753,881
Social security costs	45,475
Other pension costs (Note 27)	116,004
	915,360
Supply teacher costs	28,710
	944,070

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

	2013 No.
Management	1
Teaching	14
Administration and support staff	14
	29

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

	2013 No.
In the band £60,001 - £70,000	1

The above employee earning more than £60,000 per annum participated in the Teachers' Pension Scheme. During the period ended 31 August 2013, pension contributions for the members of staff amounted to £8,919.

14. TRUSTEES' REMUNERATION AND EXPENSES

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

	2013 £'000
MJ Whalley, Head teacher	60-65
R Ruddock, Staff Governor	30-35
D Jenkins, Staff Governor	0-5

During the period, no Trustees received any benefits in kind.
During the period ended 31 August 2013, expenses totalling £83 were reimbursed to 2 Trustees.

15. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2013 was £864.

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

16. OTHER FINANCE INCOME

	2013 £
Expected return on pension scheme assets	6,000
Interest on pension scheme liabilities	(11,000)
	(5,000)

17. TANGIBLE FIXED ASSETS

	Long Leasehold Property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £
Cost				
At 3 July 2012	-	-	-	-
Additions	2,008,000	1,010	1,837	15,810
At 31 August 2013	2,008,000	1,010	1,837	15,810
Depreciation				
At 3 July 2012	-	-	-	-
Charge for the period	37,115	210	383	1,264
At 31 August 2013	37,115	210	383	1,264
Net book value				
At 31 August 2013	1,970,885	800	1,454	14,546

	Total £
Cost	
At 3 July 2012	-
Additions	2,026,657
At 31 August 2013	2,026,657
Depreciation	
At 3 July 2012	-
Charge for the period	38,972
At 31 August 2013	38,972
Net book value	
At 31 August 2013	1,987,685

18. DEBTORS

	2013 £
Other debtors	22,285
Prepayments and accrued income	23,693
	45,978

19. CREDITORS:
Amounts falling due within one year

	2013 £
Other taxation and social security	13,944
Other creditors	76,902
Accruals and deferred income	8,091
	98,937

20. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds - all funds	-	108,754	(35,573)	-	-	73,181
Restricted funds						
General Annual Grant (GAG)	-	1,100,424	(1,044,342)	(18,657)	-	37,425
Start up Grant	-	20,000	(20,000)	-	-	-
Other DfE/EFA grants	-	29,699	(36,545)	6,846	-	-
Government grants	-	94,026	(94,026)	-	-	-
Pension reserve	-	(144,000)	-	-	1,000	(143,000)
	-	1,100,149	(1,194,913)	(11,811)	1,000	(105,575)

20. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

DfE/EFA capital grants	-	6,846	-	(6,846)	-	-
Capital expenditure from GAG	-	-	(1,857)	18,657	-	16,800
Capital expenditure from other income	-	2,008,000	(37,115)	-	-	1,970,885
	-	2,014,846	(38,972)	11,811	-	1,987,685
Total restricted funds	-	3,114,995	(1,233,885)	-	1,000	1,882,110
Total of funds	-	3,223,749	(1,269,458)	-	1,000	1,955,291

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

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

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

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

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

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

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

The pension reserve arises from the actuarial measurement of the Academy's share of the Local Government Pension Scheme deficit. This deficit is recorded as a provision. The actuarial cost of employing staff during the year is initially reflected in the normal running costs of the school in the restricted pension fund. The amount included in resources expended represents the pension cost for the year charged to income and expenditure that arises from actuarial calculations of service cost rather than employer contributions paid, and amounts to £Nil. Actuarial gains and losses that arise from changes in assumptions by the actuary or wider influences are shown in the restricted pension fund, the movement this year being a net £1,000 actuarial reduction/increase in the net pension fund deficit.

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

20. STATEMENT OF FUNDS (continued)

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	-	108,754	(35,573)	-	-	73,181
Restricted funds	-	1,100,149	(1,194,913)	(11,811)	1,000	(105,575)
Restricted fixed asset funds	-	2,014,846	(38,972)	11,811	-	1,987,685
	-	3,223,749	(1,269,458)	-	1,000	1,955,291

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £
Tangible fixed assets	-	-	1,987,685	1,987,685
Current assets	73,181	136,362	-	209,543
Creditors due within one year	-	(98,937)	-	(98,937)
Provisions for liabilities and charges	-	(143,000)	-	(143,000)
	73,181	(105,575)	1,987,685	1,955,291

22. NET CASH FLOW FROM OPERATING ACTIVITIES

	Continuing £	Discontinued £	2013 Total £
Net incoming resources before revaluations	1,954,291	-	1,954,291
Returns on investments and servicing of finance	(159)	-	(159)
Transfer from predecessor school	(1,919,204)	-	(1,919,204)
Depreciation of tangible fixed assets	38,972	-	38,972
Capital grants from DfE	(6,846)	-	(6,846)
Increase in debtors	(45,978)	-	(45,978)
Increase in creditors	98,937	-	98,937
FRS 17 adjustments	(1,000)	-	(1,000)
Net cash inflow from operations			119,013

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

	2013 £
Returns on investments and servicing of finance	
Interest received	159

	2013 £
Capital expenditure and financial investment	
Purchase of tangible fixed assets	(18,657)
Capital grants from DfE	6,846
Net cash outflow capital expenditure	(11,811)

24. ANALYSIS OF CHANGES IN NET FUNDS

	3 July 2012 £	Cash flow £	Other non-cash changes £	31 August 2013 £
Cash at bank and in hand:	-	163,565	-	163,565
Net funds	-	163,565	-	163,565

25. CONVERSION TO AN ACADEMY TRUST

On 3 July 2012 St Andrews Church of England Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to St Andrew's Church of England Academy from Lincolnshire County Council for £Nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Freehold / leasehold land and buildings	-	-	2,008,000	2,008,000
Budget surplus/(deficit) on LA funds	56,204	-	-	56,204
LGPS pension surplus/(deficit)	-	(144,000)	-	(144,000)
Net assets/(liabilities)	56,204	(144,000)	2,008,000	1,920,204

The above net assets include £27,220 that were transferred as cash.

The element of the Academy's land and buildings comprising the main school block is owned by Lincoln Diocesan Trust who allow the Academy to occupy the premsies under a Supplemental Land Agreement that was signed on conversion. There is no charge levied by the diocese but the Academy does not occupy the site under a formal lease.

The freehold element of the Academy's site, comprising the playing field and certain school buildings, is held by the Academy. These land and buildings have been valued and are included in the financial statements both within fixed assets and as a gift in kind (transfer on conversion).

26. CONTINGENT LIABILITIES

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

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

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

27. PENSION COMMITMENTS

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

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

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010). These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales. In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament. 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 under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation 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

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government

27. PENSION COMMITMENTS (continued)

Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

Teachers' Pension Scheme Changes

Lord Hutton published his final report in March 2011 and made recommendations 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 and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

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. Importantly, 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 just 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 were to be phased in from April 2012 on a 40:80:100% basis.

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds.

27. PENSION COMMITMENTS (continued)

The total contribution made for the period ended 31 August 2013 was £67,000, of which employer's contributions totalled £54,000 and employees' contributions totalled £13,000. The agreed contribution rates for future years are 24% for employers and variable rates 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.

As described in note 25 the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £
Equities	6.60	124,000
Bonds	4.30	19,000
Property	4.70	18,000
Cash	3.60	-
Total market value of assets		161,000
Present value of scheme liabilities		(304,000)
(Deficit)/surplus in the scheme		(143,000)

The amounts recognised in the Balance Sheet are as follows:

	2013 £
Present value of funded obligations	(304,000)
Fair value of scheme assets	161,000
Net liability	(143,000)

27. PENSION COMMITMENTS (continued)

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

	2013 £
Current service cost	(49,000)
Interest on obligation	(11,000)
Expected return on scheme assets	6,000
Total	(54,000)
Actual return on scheme assets	16,000

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

	2013 £
Opening defined benefit obligation	224,000
Current service cost	49,000
Interest cost	11,000
Contributions by employees	13,000
Actuarial Losses	7,000
Closing defined benefit obligation	304,000

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

	2013 £
Opening fair value of scheme assets	80,000
Expected return on assets	6,000
Actuarial gains and (losses)	8,000
Contributions by employer	54,000
Contributions by employees	13,000
	161,000

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £1,000.

The Academy expects to contribute £51,000 to its Defined benefit pension scheme in 2014.

27. PENSION COMMITMENTS (continued)

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

	2013
Equities	77.00 %
Bonds	12.00 %
Property	11.00 %

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

	2013
Discount rate for scheme liabilities	4.60 %
Expected return on scheme assets at 31 August	6.10 %
Rate of increase in salaries	5.10 %
Rate of increase for pensions in payment / inflation	2.80 %

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

	2013
Retiring today	
Males	21.2
Females	23.4
Retiring in 20 years	
Males	23.7
Females	25.7

Amounts for the current period are as follows:

Defined benefit pension schemes

	2013 £
Defined benefit obligation	(304,000)
Scheme assets	161,000
Deficit	(143,000)
Experience adjustments on scheme liabilities	(7,000)
Experience adjustments on scheme assets	8,000

Sensitivity Analysis

	Approx. % increase to employer liability	Approx. monetary amount
	%	£
0.5% decrease in Real Discount Rate	12	37,000
1 year increase in member life expectancy	3	9,000
0.5% increase in the Salary Increase Rate	6	17,000
0.5% increase in the Pension Increase Rate	6	18,000

28. OPERATING LEASE COMMITMENTS

At 31 August 2013 the Academy had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2013	Other 2013
	£	£
Expiry date:		
Between 2 and 5 years	-	1,432

29. RELATED PARTY TRANSACTIONS

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

During the year the Academy purchased services from Mr R G Carter for contract cleaning of £13,689, included within trade creditors is £1,373 owing at the year end. Mr R G Carter is the husband of the School Business Manager.

During the year the Academy purchased swimming tuition services from the Woodhall Spa Parish Council totalling £2,502. The Trustee Mr D Clarke is the Chair of the Woodhall Spa Parish Council. There was no balance owing at the balance sheet date.

30. CONTROLLING PARTY

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