

Registered number: 07769026

**GREAT CHESTERFORD CHURCH OF ENGLAND  
ACADEMY TRUST**

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2014**

**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2014**

<b>Members</b>	The Chelmsford Diocese Educational Trust The Parochial Church Council of Great Chesterford The Parochial Church Council of Little Chesterford Mr J Fraser
<b>Trustees</b>	Mr J Fraser, Chair of Governors <sup>1</sup> Mr H Weir, Headteacher <sup>1</sup> Mr J Luxford (resigned 12 December 2013) Mr G Benn <sup>1</sup> Mr A Blythe <sup>1</sup> Mr D Boatman, Vice Chair Mr P Hobbs <sup>1</sup> Mrs F Keys Mrs S Mitchell Mrs N Starbuck Mr A Taylor <sup>1</sup> Mrs E Tealby-Watson Mrs Lisa Jeremy (appointed 12 December 2013) Mr Mike Johnson (appointed 25 March 2014) Mr Jonathan Worrall (appointed 1 September 2013)
	<sup>1</sup> Member of the Finance Group
<b>Company registered number</b>	07769026
<b>Registered and principal office</b>	School Street Great Chesterford Saffron Walden Essex CB10 1NN
<b>Company secretary</b>	Ms Alison Daltrey
<b>Chief executive officer</b>	Mr Henry Weir
<b>Senior leadership team</b>	Henry Weir Sarah Mitchell Amy Sargeant
<b>Independent auditors</b>	Price Bailey LLP Chartered Accountants Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
<b>Bankers</b>	Barclays 12a Market Place Saffron Walden Essex CB10 1HR

**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

The Governors present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2014. After a very successful year the Academy continues to look at developing in all areas.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The academy trust is a company limited by guarantee and a registered charity. The company was incorporated on 9 September 2011. The Charitable Company's memorandum and articles of association are the primary governing documents of the academy trust.

The Governors act as the Trustees for the charitable activities of Great Chesterford Church of England Primary Academy Trust and are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Great Chesterford Church of England Primary Academy.

Details of the Governors who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

**Member's liability**

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

**Governors' Indemnities**

The Companies Act 2006 s236 requires disclosure concerning qualifying third party indemnity provisions.

**Principal Activities**

The academy trust's principal activities are to provide a good education to the children in a caring and Christian manner and to support the local community in carrying out this role.

**Method of Recruitment and Appointment or Election of Governors**

There are two types of Governor on the board representing the wider community that are nominated for the role and there are also staff and parent Governors who are elected by those groups. The Governors that are elected as parent and staff Governors carry out their defined roles to represent these groups and the views and decisions of the Governing Body. The second group are nominated and selected by the Board of Trustees, including the Chelmsford Diocese. They are elected for a period of time or until they wish to retire. The Governors will continually audit the skills required for the board and the Chair will approach people with the skills needed and nominate them to become part of the Governing Body. This is then brought to the full Governing Body and nominations are sent to the Diocese. Use will also be made of adverts to get interested bodies to become part of the board.

All Governors will receive induction training and continual CPD will be offered on a regular basis to update skills. Governors may also nominate CPD that is relevant to their role on the Board. Undertaking induction and CPD forms part of their role and must be carried out.

**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**Organisational Structure**

The full board meets on a regular basis and is split into a committee structure of three main groups. Each of these groups has a set of terms and is empowered to make decisions and/or recommendations to the main Governing Body within these terms. Where any task is beyond their role this will be passed on to the full board. They will also monitor all policies that are linked to their area of governance.

The groups are Personnel and Admissions who look at the selection and discipline of all staff within the school. They annually review the admissions policy and take on board all legal regulations within their role.

The Finance group monitors the school's budget and how this is to be used for the benefit of the children within the school. Their role is to review the school's budget and how this is implemented throughout the year. They will make recommendations, check all work and this is linked with the role of the Responsible Officer whose role is to report to the Governing Body.

The curriculum committee's role is to monitor the curriculum that is being delivered and make sure that it meets all legal requirements and is appropriate for the needs of the children. They will monitor by means of reviewing all paper work and by monitoring the work carried out within the classes.

There is a rota for all committees to make visits to the school to carry out their roles. This includes visits to classes, talking to staff, reviewing implementation of policies, talking to children or any other way that they are able to gain the information to carry out their role.

It has been delegated to the school to implement policies and to put these into practice for all of the children in the school. This is carried out by the Headteacher in his role as Principal. The Headteacher is the accounting officer.

**Related Parties**

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 from time to time 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 procedures.

As a Church of England Academy we are linked to the Diocese of Chelmsford.

**OBJECTIVES AND ACTIVITIES**

**Objects and aims**

The purpose of the academy trust is, as stated earlier within this document, to provide a good quality education, as monitored by the Diocese and Governors, for the children in its care. Its core aim is to continue to prepare children for their role in the wider world, to promote resilience and develop their skills to allow them to be useful members of society. This is carried out in a variety of ways that will allow the aims and objectives of the Academy to be fulfilled.

The Academy Trust's object is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the work of the Academy by establishing, maintaining, carrying on and developing a school with a designated Church of England religious character offering a broad and balanced curriculum. This will be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement), and in having regard to the advice of the Diocesan Board of Education.

**Objectives, Strategies and Activities**

The academy's main objectives are to further the life chances of the children in its care by providing the best education possible for them. The development of the whole child is vital and whilst the core curriculum is delivered to a very high standard we make sure that all needs and abilities are catered for. The development plan drawn up by the school highlights this and focuses on broadening the curriculum offered, reviewing and improving standards as well as continuing to work as part of a European school network to prepare the children for the multi cultural world in which they live.

**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**Public Benefit**

In as far as the Trust has been able to note it has proven its public benefit by providing a high attaining Academy where the results, both academically and socially, are above those achieved both locally and nationally. It has provided a first rate education and this has been noted in all qualitative and quantitative indicators available to the Academy to use as a comparison. In all areas the academy has achieved its objectives and will continue to seek excellence in all that it undertakes. It also continues to develop links with the wider community it serves.

The Governors confirm that they have referred to the guidance contained in the Charity Commission's guidance on public benefit.

**ACHIEVEMENTS AND PERFORMANCE**

**Achievements and Performance**

The achievements of the Academy are measured in a variety of ways. Some of these are:

- Outcome results of national tests which gives the Academy a benchmark of achievements. Within this area the Academy has continued to appear a top performing establishment. It was also good that this was noted nationally with the school appearing in the National Press as the top performing primary in Essex. The standards achieved continue to be very high and are once again above both Local Authority and Nationally expected outcomes.
- The numbers of children attending or choosing the Academy continue to be high allowing us to be able to plan for the future and to be able to continue to serve the children and local community. Although we continue to have to turn away prospective families as we do not have adequate provision to raise or intended number to admit.
- Feedback from parental satisfaction surveys show a high percentage are very happy with what the academy offers for the development of their children.

The trust has a strong and viable base from which to continue to build for the future. In all areas, financially and academically the trust is able to plan for the future and has adequate resources to be able 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.

**FINANCIAL REVIEW**

**Key Financial Performance Indicators**

In analysing the Academy's current position against any reasonably likely scenarios it is clear that the Academy is in a sound financial position. Against all indicators in our recent non-statutory financial audit the school was analysed as being both proficient and viable in all areas assessed. The budget is regularly monitored by the Trust Governors and our Responsible Officer. This allows the Academy to be effective in carrying out its principle and primary key function of providing a good education for the children currently in its care.

The academy has planned for a small carry forward which is used as a contingency for unexpected events. It has been decided by the Governors that the Academy will not invest these funds as, if an emergency were to occur then instant access to the funds would be required. Where there is a carry forward the governors have adopted an investments policy to secure funds and to allow time to focus on a longer term strategy to secure the future of the academy.

All funds are directly received by the Academy from the DfE and these are allocated to carry out the main role of educating all the children that attend the school whilst continuing to develop a broad, balanced and, where possible, innovative curriculum.

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**Financial Review**

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the EFA. For the year ended 31 August 2014 the Trust received £802,119 of GAG and other funding. A high percentage of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education. During the year the Academy Trust had a surplus of restricted funds of £127,347 and a surplus of £2,307 from its unrestricted funds carrying a surplus of £328,550 forward.

As an educational establishment the risks dealt with are quite small and are dealt with in the Academy's identified risks policy. The main exposure to risk is dealt with quite thoroughly within the document but our main risk is that the number of children attending the school could drop and this would directly limit the funds available.

Other risks are noted and regularly reviewed and linked closely to the risk policy.

The Academy is part of the Local Government Pension Scheme (LGPS) which is currently in a deficit situation, the impact of which is detailed in our reserves policy.

**Risk Management**

The Academy has carried out an audit of the major risks to which the academy trust is exposed, as identified by the Governors. These have been reviewed, and systems or procedures have been established to manage those risks. This statement was also considered at the same time that the Statement on Internal Control was considered. It should also be noted that a consideration of the wording of this statement is carried out annually; the internal control systems and the exposure to risks are matters that are considered on a regular basis by both management and the Governors.

The academy trust is also part of a small school groups to aid teachers and teaching but these do not have any impact on the operation of the Academy or any of the policies. These are the only groups that the Academy works with but this is a loose grouping with no impact on the management of the Academy.

**Reserves policy**

The level of reserves held are there to allow for the possibility of a member of staff having to be employed should the number of children admitted in any one year not fully meet staff costs. This would be for a very short time to allow the school to promote places.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £167,093. This has been built up from a mixture of locally raised income and balances transferred from the predecessor school.

Due to the accounting rules for the Local Government Pension Scheme under FRS17, the academy is recognising a significant pension fund deficit of £166,000. This does not mean that an immediate liability for this amount crystallises and that such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years. We are fortunate that the staffing at the school are at the lower end of the pay bands but as they move through the pay bands the school will use any identified underspend to allow us to retain the talented staff to provide the first rate education for all the children.

**Investment policy**

This is included within the main body of this report and the Academy continues to review this on an annual basis. This will require careful consideration for the future development of the school and any funds held, but it is an item on each agenda for Governors.

**PLANS FOR FUTURE PERIODS**

**Plans for the future**

The main plan for the future is to continue to be financially viable to allow the Academy to carry out the aims and objectives which are stated throughout this report. The future aims of the academy are to provide a first class education for the whole community it serves and to critically review and develop all that we are able to offer. Reviews of the curriculum, the Academy's aims and objectives form part of the core role and these will continue to develop as the expertise available to the Academy continues to develop. The academy will achieve these in a variety of ways using the skills developed to make the Academy Outstanding at its last inspection. See points raised earlier within this report.

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

There are no funds held as Custodian Trustee on behalf of others.

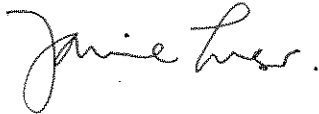
**PROVISION OF INFORMATION TO AUDITORS**

Each of the persons who are Governor at the time when this Governors' Report is approved has confirmed that;

- So far as that Governor is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- Governors have taken all the steps in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish the charitable company's auditors are aware of that information.

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

This report was approved by the Governors on 18/12/14 and signed on their behalf by:



**Mr J Fraser**  
Chair of Governors



**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
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**GOVERNANCE STATEMENT**

**SCOPE OF RESPONSIBILITY**

As Governors, we acknowledge we have overall responsibility for ensuring that Great Chesterford 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 Great Chesterford 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**

The information on governance included here supplements that described in the Governors' Report and in the Governors' Responsibilities Statement. The Governing Body has formally met 4 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
Mr J Fraser	4	4
Mr H Weir	4	4
Mr J Luxford	2	2
Mr G Benn	3	4
Mr A Blythe	4	4
Mr D Boatman	4	4
Mr P Hobbs	4	4
Mrs F Keys	2	4
Mrs S Mitchell	3	4
Mrs N Starbuck	3	4
Mr A Taylor	3	4
Mrs E Tealby-Watson	3	4
Mrs Lisa Jeremy	2	2
Mr Mike Johnson	2	2
Mr Jonathan Worrall	4	4

There have been no key changes in the composition of the board of trustees. The key challenges that have arisen for the board and the committees continue to be that of the school buildings and driving forward improvements to them, including applying for grants to secure funding.

**Governance reviews:**

The last Ofsted visit was undertaken six years ago where leadership and management, including governance were graded as good. A skills audit has been undertaken during this year and an external review of governance is planned to be undertaken by the end of the academic year 2014/15.

The Finance Group is a sub-committee of the main Governing Body. Its purpose is to address financial matters.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mr J Fraser, Chair	3	3
Mr A Blythe	3	3
Mr P Hobbs	3	3
Mr A Taylor	2	3
Mr H Weir	3	3
Mr G Benn	3	3

**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (continued)**

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Great Chesterford Church of England Academy Trust for the year 1 September 2013 to 31 August 2014 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 year 1 September 2013 to 31 August 2014 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 Group 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 not to appoint an internal auditor. However, the Governors have appointed Sarah Smith, an external advisor with relevant financial experience, 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 semi-annual 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.

Sarah Smith delivered her schedule of works as planned and no material weaknesses were identified.

**REVIEW OF EFFECTIVENESS**

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

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

The Accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance Group 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 18/12/14 and signed on its behalf, by:

  
Mr J Fraser  
Chair of Governors

Mr H Weir  
Accounting Officer




**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Great Chesterford Church of England Academy Trust I have considered my responsibility to notify the academy 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 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 Governing Body are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook.

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

  
Mr H Weir  
Accounting Officer

Date: 18/12/14

**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
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**GOVERNORS' RESPONSIBILITIES STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

The Governors (who act as Trustees of Great Chesterford Church of England Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial year. Under company law the Governors 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 Governors are required to:

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

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

The Governors 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 Governing Body on 18/12/14 and signed on its behalf by:



**Mr J Fraser**  
**Chair of Governors**

**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
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**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF GREAT CHESTERFORD  
CHURCH OF ENGLAND ACADEMY TRUST**

We have audited the financial statements of Great Chesterford Church of England Academy Trust for the year ended 31 August 2014 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 to 2014 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 GOVERNORS AND AUDITORS**

As explained more fully in the Governors' Responsibilities Statement, the Governors (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 Governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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

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**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF GREAT CHESTERFORD  
CHURCH OF ENGLAND ACADEMY TRUST**

**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 Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or



Gary Miller (Senior Statutory Auditor)

for and on behalf of

**Price Bailey LLP**

Chartered Accountants  
Statutory Auditors

Causeway House  
1 Dane Street  
Bishop's Stortford  
Hertfordshire  
CM23 3BT

Date: 19/12/14

**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 5 September 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Great Chesterford Church of England Academy Trust during the year 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST'S ACCOUNTING OFFICER AND THE INDEPENDENT REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Great Chesterford Church of England Academy Trust's funding agreement with the Secretary of State for Education dated 1 October 2011, and the Academies Financial Handbook extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Consideration and corroboration of the evidence supporting the accounting officer's statement on regularity, propriety and compliance.
- Evaluation of the general control environment of the academy trust, extending the procedures required for financial statements to include regularity.
- Discussions with and representations from the Accounting Officer and other Key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST  
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO GREAT  
CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY  
(continued)

CONCLUSION

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



Gary Miller (Reporting Accountant)

Price Bailey LLP

Chartered Accountants  
Statutory Auditors

Causeway House  
1 Dane Street  
Bishop's Stortford  
Hertfordshire  
CM23 3BT

Date:

19/12/14



**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES**  
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)  
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds:						
Voluntary income	2	-	10,516	-	10,516	10,247
Activities for generating funds	3	66,523	-	-	66,523	82,603
Investment income	4	411	-	-	411	210
Incoming resources from charitable activities		-	795,801	6,318	802,119	910,008
<b>TOTAL INCOMING RESOURCES</b>		<b>66,934</b>	<b>806,317</b>	<b>6,318</b>	<b>879,569</b>	<b>1,003,068</b>
<b>RESOURCES EXPENDED</b>						
Charitable activities		56,417	685,470	22,428	764,315	854,967
Governance costs	8	-	9,500	-	9,500	15,335
<b>TOTAL RESOURCES EXPENDED</b>	6	<b>56,417</b>	<b>694,970</b>	<b>22,428</b>	<b>773,815</b>	<b>870,302</b>
<b>NET INCOMING RESOURCES BEFORE TRANSFERS</b>						
		10,517	111,347	(16,110)	105,754	132,766
Transfers between Funds	16	(8,210)	-	8,210	-	-
<b>NET INCOME FOR THE YEAR</b>		<b>2,307</b>	<b>111,347</b>	<b>(7,900)</b>	<b>105,754</b>	<b>132,766</b>
Actuarial gains and losses on defined benefit pension schemes		-	29,000	-	29,000	(9,000)
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>2,307</b>	<b>140,347</b>	<b>(7,900)</b>	<b>134,754</b>	<b>123,766</b>
Total funds at 1 September 2013		326,243	4,486	44,700	375,429	251,663
<b>TOTAL FUNDS AT 31 AUGUST 2014</b>		<b>328,550</b>	<b>144,833</b>	<b>36,800</b>	<b>510,183</b>	<b>375,429</b>

All activities relate to continuing operations.

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

The notes on pages 18 to 32 form part of these financial statements.

GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST

(A Company Limited by Guarantee)

REGISTERED NUMBER: 07769026

BALANCE SHEET  
AS AT 31 AUGUST 2014

	Note	£	2014 £	£	2013 £
<b>FIXED ASSETS</b>					
Tangible assets	13		198,257		192,002
<b>CURRENT ASSETS</b>					
Debtors	14	12,271		70,352	
Cash at bank		508,244		420,190	
		<u>520,515</u>		<u>490,542</u>	
<b>CREDITORS: amounts falling due within one year</b>	15	(42,589)		(128,115)	
<b>NET CURRENT ASSETS</b>			<u>477,926</u>		<u>362,427</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>676,183</u>		<u>554,429</u>
Defined benefit pension scheme liability	20		(166,000)		(179,000)
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITY</b>			<u><u>510,183</u></u>		<u><u>375,429</u></u>
<b>FUNDS OF THE ACADEMY</b>					
Restricted funds :					
Restricted funds	16	310,833		183,486	
Restricted fixed asset funds	16	36,800		44,700	
		<u>347,633</u>		<u>228,186</u>	
Restricted funds excluding pension liability					
Pension reserve		(166,000)		(179,000)	
		<u></u>		<u></u>	
Total restricted funds			181,633		49,186
Unrestricted funds	16		328,550		326,243
			<u>510,183</u>		<u>375,429</u>
<b>TOTAL FUNDS</b>			<u><u>510,183</u></u>		<u><u>375,429</u></u>

The financial statements were approved by the Governors, and authorised for issue, on 18/12/14 and are signed on their behalf, by:

*Janie Fraser*  
Mr J Fraser  
Chair of Governors

The notes on pages 18 to 32 form part of these financial statements.

**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

	Note	2014 £	2013 £
Net cash flow from operating activities	18	110,008	197,922
Returns on investments and servicing of finance		411	210
Capital expenditure and financial investment		(22,365)	(11,290)
<b>INCREASE IN CASH IN THE YEAR</b>		<u>88,054</u>	<u>186,842</u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

	2014 £	2013 £
Increase in cash in the year	<u>88,054</u>	<u>186,842</u>
<b>MOVEMENT IN NET FUNDS IN THE YEAR</b>	<u>88,054</u>	<u>186,842</u>
Net funds at 1 September 2013	420,190	233,348
<b>NET FUNDS AT 31 AUGUST 2014</b>	<u>508,244</u>	<u>420,190</u>

The notes on pages 18 to 32 form part of these financial statements.

**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention. 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 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

**1.2 Company status**

The academy is a company limited by guarantee. Those members who are Governors are noted on page 1. In the event of the academy being wound up, the liability in respect of the guarantee is limited to £10 per member of the academy.

**1.3 Fund accounting**

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

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

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

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

**1.4 Incoming resources**

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

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

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

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.

**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**1. ACCOUNTING POLICIES (continued)**

**1.5 Resources expended**

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

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

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

All resources expended are inclusive of irrecoverable VAT.

**1.6 Going concern**

The Governors 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 Governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

**1.7 Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised.

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:

Improvements to premises	-	50 years straight line
Fixtures and fittings	-	10% straight line
Computer equipment	-	20% straight line

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.

**1.8 Operating leases**

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

**1.9 Taxation**

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

**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2014**

**1. ACCOUNTING POLICIES (continued)**

**1.10 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 20, 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 pension interest adjustment in note 7. Actuarial gains and losses are recognised immediately in other gains and losses.

**2. OTHER VOLUNTARY INCOME**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Donations for educational visits	-	10,516	10,516	10,247
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**3. ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Swimming income	3,527	-	3,527	3,870
Catering income	43,696	-	43,696	40,006
Other activities	19,300	-	19,300	38,727
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	66,523	-	66,523	82,603
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**4. INVESTMENT INCOME**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Bank interest	411	-	411	210
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
<b>DfE/EFA revenue grants</b>				
General Annual Grant (GAG)	-	764,339	764,339	739,583
Other DfE / EFA grants	-	20,076	20,076	143,535
	-	784,415	784,415	883,118
<b>Other government grants</b>				
Local authority grants	-	17,704	17,704	26,890
	-	17,704	17,704	26,890
	-	802,119	802,119	910,008

**6. RESOURCES EXPENDED**

	Staff costs 2014 £	Non Pay Expenditure		Total 2014 £	Total 2013 £
		Premises 2014 £	Other costs 2014 £		
Provision of education- direct costs	470,069	-	51,916	521,985	506,740
Provision of education- support costs	93,934	74,748	73,648	242,330	348,227
<b>Charitable activities</b>	564,003	74,748	125,564	764,315	854,967
<b>Governance</b>	-	-	9,500	9,500	15,335
	564,003	74,748	135,064	773,815	870,302

**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**7. CHARITABLE ACTIVITIES**

	Total funds 2014 £	Total funds 2013 £
<b>DIRECT COSTS - EDUCATIONAL OPERATIONS</b>		
Wages and salaries	395,146	379,937
National insurance	20,739	20,773
Pension cost	54,184	59,188
Educational supplies	39,076	32,378
Staff development	3,995	3,126
Security and transport	4,870	5,168
Technology costs	3,975	6,170
	<u>521,985</u>	<u>506,740</u>
<b>SUPPORT COSTS - EDUCATIONAL OPERATIONS</b>		
Wages and salaries	68,029	61,182
National insurance	1,490	3,345
Pension cost	24,415	31,268
Depreciation	16,110	12,761
LGPS FRS 17 pension interest adjustment	8,000	6,000
Educational consultancy	8,275	10,320
Recruitment and support	969	132
Maintenance of premises and equipment	20,440	135,988
Catering	21,772	19,533
Occupancy costs	21,744	23,543
Insurance	16,160	13,509
Security and transport	3,549	5,134
Other costs	29,872	24,360
Technology costs	1,505	1,152
	<u>242,330</u>	<u>348,227</u>
	<u>764,315</u>	<u>854,967</u>

**8. GOVERNANCE COSTS**

	Total funds 2014 £	Total funds 2013 £
Auditors' remuneration	3,750	3,975
Auditors' non audit costs	5,550	4,250
Other professional costs	200	7,110
	<u>9,500</u>	<u>15,335</u>



**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**9. NET INCOMING RESOURCES**

This is stated after charging:

	2014	2013
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	16,110	12,761
Auditors' remuneration	3,750	3,750
Auditors' remuneration - non audit	5,500	4,725
	55,222	541,294

**10. STAFF**

**a. Staff costs**

Staff costs were as follows:

	2014	2013
	£	£
Wages and salaries	454,394	426,720
Social security costs	22,229	24,118
Other pension costs (Note 20)	78,599	90,456
	555,222	541,294
Supply teacher costs	8,781	14,399
	564,003	555,693

**b. Staff numbers**

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

	2014	2013
	No.	No.
Teachers	8	8
Administration and support	9	9
Management	1	1
	18	18

**c. Higher paid staff**

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

	2014	2013
	No.	No.
In the band £ 60,001 - £ 70,000	1	1
	1	1

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2014 pension contributions for these staff amounted to £8,728 (2013: £5,439).

**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2014**

**11. GOVERNORS' REMUNERATION AND EXPENSES**

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

	2014 £	2013 £
Mr H Weir	70,000-75,000	65,000-70,000
Mrs S Mitchell	40,000-45,000	40,000-45,000
Mrs N Starbuck	10,000-15,000	10,000-15,000
Mr A Irving	0-5,000	0-5,000
Mrs F Keys	0-5,000	0-5,000

During the year ended 31 August 2014, no Governors received any reimbursement of expenses (2013: £NIL).

**12. GOVERNORS' 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. The cost of this insurance is included in the total insurance cost.

**13. TANGIBLE FIXED ASSETS**

	Improvements to premises £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 September 2013	132,796	45,917	34,990	213,703
Additions	-	-	22,365	22,365
At 31 August 2014	132,796	45,917	57,355	236,068
<b>Depreciation</b>				
At 1 September 2013	2,656	8,792	10,253	21,701
Charge for the year	2,656	4,592	8,862	16,110
At 31 August 2014	5,312	13,384	19,115	37,811
<b>Net book value</b>				
At 31 August 2014	127,484	32,533	38,240	198,257
At 31 August 2013	130,140	37,125	24,737	192,002

**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**14. DEBTORS**

	2014	2013
	£	£
Other debtors	6,768	3,695
Prepayments and accrued income	5,503	66,657
	12,271	70,352
	12,271	70,352

**15. CREDITORS:**  
**Amounts falling due within one year**

	2014	2013
	£	£
Trade creditors	1,744	1,738
Other taxation and social security	7,424	7,676
Other creditors	6,199	8,025
Accruals and deferred income	27,222	110,676
	42,589	128,115
	42,589	128,115
<b>Deferred income</b>		£
Universal free school meals income received in advance		18,629
		18,629

**GREAT CHESTERFORD CHURCH OF ENGLAND ACADEMY TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2014**

**16. STATEMENT OF FUNDS**

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
<b>Unrestricted funds</b>						
General funds	326,243	66,934	(56,417)	(8,210)	-	328,550
<b>Restricted funds</b>						
General Annual Grant (GAG)	183,486	764,339	(636,992)	-	-	310,833
Other government grants	-	31,462	(31,462)	-	-	-
Educational visits	-	10,516	(10,516)	-	-	-
Pension reserve	(179,000)	-	(16,000)	-	29,000	(166,000)
	<u>4,486</u>	<u>806,317</u>	<u>(694,970)</u>	<u>-</u>	<u>29,000</u>	<u>144,833</u>
<b>Restricted fixed asset funds</b>						
Fixed asset funds	44,700	-	(16,110)	8,210	-	36,800
Devolved formula capital (DFC)	-	6,318	(6,318)	-	-	-
	<u>44,700</u>	<u>6,318</u>	<u>(22,428)</u>	<u>8,210</u>	<u>-</u>	<u>36,800</u>
Total restricted funds	<u>49,186</u>	<u>812,635</u>	<u>(717,398)</u>	<u>8,210</u>	<u>29,000</u>	<u>181,633</u>
Total of funds	<u><u>375,429</u></u>	<u><u>879,569</u></u>	<u><u>(773,815)</u></u>	<u><u>-</u></u>	<u><u>29,000</u></u>	<u><u>510,183</u></u>

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

**Other Government Grants**

This represents various small grants from local and national government bodies for the provision of specific services to pupils of the academy.

**Educational Visits**

This represents contributions made by parents to the running of educational visits for the pupils of the academy and the associated costs of running the trips.

**Pension Reserve**

This fund represents the Academy's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the academy on conversion from a state controlled school.

**Devolved Formula Capital (DFC) fund**

The academy is to use the DFC allocation to maintain and improve its buildings and facilities.

**Transfers**

Transfer of funds represents the depreciation relating to unrestricted fixed assets.

**General Annual Grant (GAG)**

This represents funding from the EFA to cover the costs of recurrent expenditure.

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**16. 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 2014.

**SUMMARY OF FUNDS**

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/(Losses) £	Carried forward £
General funds	326,243	66,934	(56,417)	(8,210)	-	328,550
Restricted funds	4,486	806,317	(694,970)	-	29,000	144,833
Restricted fixed asset funds	44,700	6,318	(22,428)	8,210	-	36,800
	<u>375,429</u>	<u>879,569</u>	<u>(773,815)</u>	<u>-</u>	<u>29,000</u>	<u>510,183</u>

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Tangible fixed assets	161,457	-	36,800	198,257	192,002
Current assets	167,093	353,422	-	520,515	490,542
Creditors due within one year	-	(42,589)	-	(42,589)	(128,115)
Provisions for liabilities and charges	-	(166,000)	-	(166,000)	(179,000)
	<u>328,550</u>	<u>144,833</u>	<u>36,800</u>	<u>510,183</u>	<u>375,429</u>

**18. NET CASH FLOW FROM OPERATING ACTIVITIES**

	2014 £	2013 £
Net incoming resources before revaluations	105,754	132,766
Returns on investments and servicing of finance	(411)	(210)
Depreciation of tangible fixed assets	16,110	12,761
Decrease/(increase) in debtors	58,081	(51,070)
(Decrease)/increase in creditors	(85,526)	92,675
FRS 17 adjustments	16,000	11,000
<b>Net cash inflow from operations</b>	<u>110,008</u>	<u>197,922</u>

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**19. ANALYSIS OF CHANGES IN NET FUNDS**

	1 September 2013 £	Cash flow £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	420,190	88,054	-	508,244
<b>Net funds</b>	<b>420,190</b>	<b>88,054</b>	<b>-</b>	<b>508,244</b>

**20. 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 Essex 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 2012 and of the LGPS 31 March 2013.

Contributions amounting to £5,902 were payable to the schemes at 31 August 2014 (2013 - £7,718) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

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

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**20. PENSION COMMITMENTS (continued)**

**Teachers' Pension Scheme Changes**

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

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

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

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

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £36,000, of which employer's contributions totalled £28,000 and employees' contributions totalled £8,000. The agreed contribution rates for future years are 12.3% for employers and 5.5-7.5% for employees.

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

The amounts recognised in the Balance Sheet are as follows:

	2014	2013
	£	£
Present value of funded obligations	(295,000)	(264,000)
Fair value of scheme assets	129,000	85,000
	<hr/>	<hr/>
Net liability	<u>(166,000)</u>	<u>(179,000)</u>

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**20. PENSION COMMITMENTS (continued)**

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

	2014 £	2013 £
Current service cost	(36,000)	(32,000)
Interest on obligation	(14,000)	(9,000)
Expected return on scheme assets	6,000	3,000
<b>Total</b>	<u>(44,000)</u>	<u>(38,000)</u>
Actual return on scheme assets	<u>12,000</u>	<u>9,000</u>

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

	2014 £	2013 £
Opening defined benefit obligation	264,000	200,000
Current service cost	36,000	32,000
Interest cost	14,000	9,000
Contributions by scheme participants	8,000	7,000
Actuarial (Gains)/losses	(27,000)	16,000
Present value of defined benefit obligation on conversion	-	-
<b>Closing defined benefit obligation</b>	<u>295,000</u>	<u>264,000</u>

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

	2014 £	2013 £
Opening fair value of scheme assets	85,000	41,000
Expected return on assets	6,000	3,000
Actuarial gains and (losses)	2,000	7,000
Contributions by employer	28,000	27,000
Contributions by employees	8,000	7,000
<b>Total</b>	<u>129,000</u>	<u>85,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities was £23,000 loss (2013 - £52,000 loss).

The academy expects to contribute £17,000 to its Defined Benefit Pension Scheme in 2015.

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

	2014	2013
Equities	64.00 %	65.00 %
Gilts	6.00 %	8.00 %
Other bonds	11.00 %	9.00 %
Property	12.00 %	11.00 %
Cash	3.00 %	3.00 %
Alternative assets	4.00 %	4.00 %



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**20. PENSION COMMITMENTS (continued)**

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

	2014	2013
Discount rate for scheme liabilities	4.00 %	4.70 %
Expected return on scheme assets at 31 August	5.30 %	5.80 %
Rate of increase in salaries	4.50 %	4.70 %
Rate of increase for pensions in payment / inflation	2.70 %	2.90 %
Inflation assumption (CPI)	2.70 %	2.90 %
Inflation assumption (RPI)	3.50 %	3.70 %

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

	2014	2013
Retiring today		
Males	22.7	22.7
Females	25.1	25.3
Retiring in 20 years		
Males	24.9	24.2
Females	27.4	26.9

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

Defined benefit pension schemes

	2014 £	2013 £	2012 £
Defined benefit obligation	(295,000)	(264,000)	(200,000)
Scheme assets	129,000	85,000	41,000
Deficit	<u>(166,000)</u>	<u>(179,000)</u>	<u>(159,000)</u>
Experience adjustments on scheme assets	<u>2,000</u>	<u>7,000</u>	<u>-</u>

**21. OPERATING LEASE COMMITMENTS**

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

	2014 £	2013 £
Expiry date:		
Between 2 and 5 years	<u>752</u>	<u>752</u>

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**22. 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 governors 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.

The premises that the academy uses to fulfil its charitable objectives are owned by The Chelmsford Diocese Educational Trust, a member of the academy. The academy has not entered into a long term lease and does not pay rent for the use of the land and buildings. A gift in kind in relation to this arrangement has not been recognised in the Statement of Financial Activities as the Governors do not consider that the benefit can be reasonably quantified or measured.

No other related party transactions took place in the period of account.

**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.