



financial statements

Putnoe Primary School **A Company Limited by Guarantee**

For the year ended 31 August 2015

Company registration number: 08434113

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Academy, its Governors and Advisers	1
Governors' Report	2 - 11
Governance Statement	12 - 15
Statement on Regularity, Propriety and Compliance	16
Governors' Responsibilities Statement	17
Independent Auditors' Report	18 - 19
Independent Reporting Accountant's Assurance Report on Regularity	20 - 21
Statement of Financial Activities	22 - 23
Balance Sheet	24
Cash Flow Statement	25
Notes to the Financial Statements	26 - 47

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS MEMBERS/ TRUSTEES
AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Members	Mrs Amy Lumley-Wood, Parent Governor & Chair ¹ Mrs Deborah Orr, Parent Governor and Vice Chair ² Mrs Katherine Stratford, Parent Governor (resigned 12 May 2015) ²
Governors	Mrs Gillian Peck, Headteacher ^{1,2} Mr Philip Merryman, Co-opted Governor (resigned 11 December 2014) ¹ Mr Carl Du Plessis, Parent Governor ¹ Mrs Elspeth Tierney, Staff Governor ¹ Mrs Allison Llewellyn, Staff Governor ^{1,2} Mrs Noline Matemera, Co-opted Governor (resigned 17 March 2015) ² Mr Jatinder Garcha, Co-opted Governor ¹

¹ Management Committee

² Standards Committee

**Company registered
number**

08434113

Company name

Putnoe Primary School

**Principal and registered
office**

Church Lane
Bedford
MK41 0DH

**Senior Management
Team**

Gillian Peck, Headteacher and Accounting Officer
Simon Petch, Deputy Headteacher
Lorna Stanton, Assistant Headteacher
Matthew Rogers, Senior Teacher
Andrew Pope, Senior Teacher
Pauline Gayle, Senior Teacher

Independent auditors

MHA MacIntyre Hudson
Chartered Accountants and Statutory Auditor
Equipoise House
Grove Place
Bedford
MK40 3LE

Bankers

National Westminster Bank Plc
81 High Street
Bedford
MK40 1YN

Solicitors

Stone King Solicitors
13 Queens Square
Bath
BA1 2HJ

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Governors (who are the Trustees and are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Putnoe Primary School (the Academy Trust) for the period 1 September 2014 to 31 August 2015.

The Governors confirm that the Annual Report and financial statements of the Academy Trust comply with the current statutory requirements, the requirements of the Academy Trust's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005. The Annual Report serves the purposes of both a Trustees Report and a Directors Report under company law.

The Trust operates an Academy for pupils aged 4 to 11 years serving a catchment area in Bedford. It has a pupil capacity of 630 and had a roll of 575 in the school census on January 2015.

Structure, governance and management

CONSTITUTION

The Academy Trust is a Company Limited by Guarantee and an exempt Charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The charitable company is known as Putnoe Primary School.

Details of the Governors who served during the year are included in the Reference and Administrative Details on page 1.

MEMBERS' LIABILITY

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

GOVERNORS' INDEMNITY INSURANCE

In accordance with normal practice the Academy has purchased insurance to protect the Governors and officers from claims arising from negligent acts, errors or omissions whilst on Academy business. The cover under the policy is £5 million and in the period under review no sums were paid out.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS

The Governing Body comprises of a minimum of 2 parent Governors, up to 7 community Governors, up to 2 staff Governors and the Headteacher. The parent Governors are elected by the parent body of the School. The staff Governors are elected by the School's staff. The community Governors are appointed by the Members of the Academy Trust. Community Governors may be re-appointed after the end of their term of office. Individuals may request to join the Governing Body and the Members of the Academy Trust may decide to invite one of these individuals to join should a vacancy arise.

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS

All Governors undertake training as appropriate to their work at the School. New Governors will be provided with an induction programme. A log is kept of all Governor training and reviewed on a regular basis at the full Governing Body meetings.

The Governors, who are also the charity Trustees, are responsible for the overall management and control of the School and meet at least three times a year. The work of reviewing and monitoring most policies is delegated to the members of the Committees as outlined below. 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 Governors and their committees, prepares agendas and papers and reviews matters arising. The Finance Manager prepares the accounts on behalf of the Governors. All Governors give their time to the role freely, no remuneration or expenses were paid in the year.

ORGANISATIONAL STRUCTURE

The Governors determine the general policies of the School. The day to day running of the School is delegated to the Headteacher, supported by the Senior Management Team. The Headteacher undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the Senior Management Team. The day to day administration is undertaken within the policies and procedures approved by the Governors. Only significant expenditure decisions and major capital projects should be referred to the Governors for prior approval. The Headteacher is an ex-officio Governor and Accounting Officer and attends all Governing Body meetings. The School Finance Manager is invited to attend Management Committee meetings.

Governors Committee Structure

Each of the committees can make recommendations that must be endorsed by the full Governing Body. The Committees and the full Governing Body meet at least 3 times per year.

The Governing Body

- The Governing Body will take a strategic role, act as a critical friend to the School and be accountable for its decisions. It will set the vision and key goals and agree, monitor and review policies, targets and priorities.

The following committees are sub-committees of the Governing Body and their respective aims are as follows:

Staff Pay Committee

- To consider and decide upon all matters relating to staff pay as part of the annual review process in accordance with the whole school salary policy agreed by the Governing Body in respect of the following staff: school teachers; NJC Local Government Services Staff; and any other staff as determined by the Governing Body.

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Hearings committee

- To make any determination to dismiss any member of staff.
- To make any decisions under the Governing Body's personnel procedures (e.g. disciplinary, grievance, capability where the Headteacher is the subject of the action).
- To make any determination or decision under the Governing Body's General Complaints Procedure for Parents and others.
- To make any determination or decision under the Governing Body's Curriculum Complaints Procedure, in respect of National Curriculum disapplications, and the operation of the Governing Body's charging policy.

Appeals committee

- To consider any appeal against a decision to dismiss a member of staff made by the Hearings Committee.
- To consider any appeal against a decision short of dismissal under the Governing Body's personnel procedures (e.g. disciplinary, grievance, capability).
- To consider any appeal against selection for redundancy.
- To consider any appeal against a pay decision.

Pupil Discipline Committee

- To consider representations from parents in the case of exclusions of 5 days or less (Committee may not re-instate).
- To consider representations from parents in the case of exclusions totalling more than 5 but not more than 15 school days in one term (meeting to be held between 6th and 15th school days after receiving notice of the exclusion).
- To consider the appropriateness of any permanent exclusion or any exclusion where one or more fixed period exclusions total more than 15 school days in one term or where a pupil is denied the chance to take a public examination (meeting to be held between 6th and 15th school days after receiving notice of the exclusion).

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Standards Committee

- To consider and advise the Governing Body on standards and other matters relating to the school's curriculum, including statutory requirements and the School's Curriculum Policy and Teaching and Learning Policy.
- To consider curricular issues which have implications for finance and personnel decisions and to make recommendations to the relevant committees or the Governing Body.
- To ensure that children's enjoyment of lessons is an integral part of all curriculum planning.
- To oversee the analysis annually of test data and pupil assessment and make recommendations to the Governing Body as appropriate.
- To ensure that all curricular improvements required by OfSTED are implemented.
- To review annually the School Prospectus.
- To make arrangements for the Governing Body to be represented at School Improvement discussions with the SIA and for reports to be received by the Governing Body.
- To oversee arrangements for individual Governors to take a leading role in specific areas of provision (e.g. SEN, Literacy, Numeracy and Curriculum Leadership Groups), to receive regular reports from them and advise the Governing Body.
- To oversee arrangements for educational visits, including the appointment of a named co-ordinator ("EVC").

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Management Committee

- To draft and review annually the staffing structure, in consultation with the Headteacher.
- To oversee the selection and appointment procedure for all staff.
- To oversee and review termly, the school's safeguarding procedures, including the implementation of the Child Protection and Safer Recruiting policies.
- To establish and review a Performance Management policy for all staff.
- To oversee the process leading to staff reductions.
- To keep under review staff work/life balance, working conditions and well-being, including the monitoring of absence.
- To make recommendations on personnel related expenditure.
- To ensure that DfE regulatory and guidance documents are implemented appropriately in the school, with specific reference to the role assigned to the Governing Body.
- To assist the decision making of the Governing Body by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the Academy.
- To make appropriate comments and recommendations on such matters to the Governing Body on a regular basis.

Headteacher's Performance Review Group:

- To arrange to meet with the External Adviser / School Improvement Partner to discuss the Headteacher's performance targets.
- To decide, with the support of the External Adviser / School Improvement Partner, whether the targets have been met and to set new targets annually.
- To monitor through the year the performance of the Headteacher against the targets.
- To make recommendations to the Management Committee in respect of awards for the successful meeting of targets set.

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

None to disclose.

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Objectives and Activities

OBJECTS AND AIMS

Putnoe Primary School's objects are specifically restricted to the following:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.
- To promote for the benefit of the inhabitants of Bedford and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social welfare and with the object of improving the condition of life of the said inhabitants.

OBJECTIVES, STRATEGIES AND ACTIVITIES

1. To improve the achievement of all pupils and specifically to monitor the standards of reading. Instilling in all pupils a love of reading – OfSTED priority.
2. To monitor the Gender Gap in standards for all pupils within Reading Writing and Numeracy securing 4 points progress.
3. Reading for pleasure and introduction of materials aimed at engaging boys.
4. To procure suitable contractors to undertake the building of a new Year 6 block. Monitor the project's progress and financial implications.
5. To ensure that all pupils receive the appropriate support in order to reach their academic potential. In particular to continue to record and track pupil premium expenditure and the impact of this.

PUBLIC BENEFIT

In setting the Academy's objectives and planning its activities, the Governing Body have given careful consideration to the Charity Commission's general guidance on public benefit. 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 generality of the foregoing by establishing, maintaining, continuing, managing and developing a school offering a broad and balanced curriculum.
- To promote for the benefit of the inhabitants of Bedford and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social; welfare and with the object of improving the condition of life of the said inhabitants.

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Strategic Report

Achievements and performance

REVIEW OF ACTIVITIES

- Putnoe was identified as a centre of excellence for the Arts in 2013 and we have continued to support schools in the local area to embed culture and creativity across the curriculum.
- Work has been continuing to achieve external quality marks in various areas of school life. Awarded this year were:
 - International schools award reaccreditation
 - Science quality mark gold reaccreditation
 - Sainsburys gold sports award
- Headteacher support for other schools in the Borough
- Improvement of sports and PE facilities and the range of sports on offer through the curriculum and extra-curricular clubs and activities. Specialist coaching has been brought in where possible.
- Different funding streams have been explored and a Friends of Putnoe group has been set up and a number of fundraising initiatives have been undertaken.
- A heavy focus was made on raising achievement in Year 6. Various strategies have been employed and progress has been made.
- Our Year 6 extension has been completed and classrooms are ready to use. The dedicated music room and art and DT room will be completed and ready for use by Autumn half term.

KEY PERFORMANCE INDICATORS

F Stage – 85.1% Good level of Development Average total points for the cohort 37.6

KS1	Reading –	2B 84%	3+ 36%		
	Writing –	2B 70%	3+ 24%		
	Maths –	2B 85%	3+ 37%		
KS2	Reading –	4+ 85%	5+ 41%		
SPaG		4+ 86%	5+ 68%	6+ 7%	
Maths		4+ 88%	5+ 42%	6+ 10%	

OfSTED inspection 20-21 May 2015 rated Putnoe Primary a Good School. This inspection was carried out under the new guidelines. Governors are happy with this judgement and appreciate the hard work of the Headteacher and staff in achieving this rating.

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

GOING CONCERN

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

Financial review

FINANCIAL REPORT FOR THE PERIOD

The Academy had a satisfactory financial period to 31 August 2015, with total income of £3,121,645 comprising capital funding of £588,285 and other grants and funding of £2,533,360. Of this other income £2,404,231 was received to fund educational operations. Total expenditure amounted to £2,313,687 but includes £91,301 of depreciation allocated to the restricted fixed asset fund. Revenue expenditure before depreciation and FRS 17 pension adjustments amounts to £2,207,386 leaving a surplus of £144,097 for the year. After adjusting for the restricted fixed asset fund and pension fund the net movement in the year amounts to £803,958.

Most of the Academy's income is obtained from the Department for Education via the Education Funding Agency in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the Department for Education during the year ended 31 August 2015 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities and the grants received are detailed in note 5 to the financial statements.

GAG funding was the core funding element to the provision of educational services for the year. Of the total income for educational purposes, excluding capital grants, some 58.4% was spent on teaching and educational support staff and 8.9% on other support staff. Total staff costs represent 89.8% of GAG funding.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its support staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 23 to the financial statements.

Any surplus funds are swept nightly into a Liquidity Select account earning interest. No further Investment activities are undertaken.

RESERVES POLICY

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. This applies particularly to funds earmarked for future capital projects. The level of reserves will be kept under review by the Governors.

Reserves at the end of the period 31 August 2015 were £7,304,121 comprising £583,768 on the restricted general funds, £98,933 of unrestricted general funds, £6,847,420 of restricted fixed asset fund and a pension reserve deficit of £226,000.

The Governors are aware of the high percentage of carry forward reserves into 2015/16. The Academy is expecting an increase in costs, particularly staff costs, following the opening of the new classroom block in September 2015 and the carry forward reserves are expected to be used towards these costs.

The deficit on the pension reserve relates to the non-teaching staff pension scheme (Local Government Pension Scheme) where, unlike the Teachers' Pension Scheme, separate assets are held to fund future liabilities as discussed in note 23. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits.

INVESTMENT POLICY

The School's Investment Strategy is:

- Regularly monitor cash flow and current/fund account balances to ensure immediate financial commitments can be met (payroll and payments runs) and that the accounts have adequate balances to meet forthcoming commitments.
- Funds surplus to immediate cash requirements (set at £10k) are transferred nightly to the School's liquidity deposit account bearing a higher interest rate.
- Periodically review interest rates and compare with other investment opportunities.
- The School's current policy is to only invest funds in risk free and immediately accessible deposit accounts.

Any change in policy requires the approval of Governors via the Management Committee.

PRINCIPAL RISKS AND UNCERTAINTIES

The Governing Body has a comprehensive risk management process to identify and monitor the risks faced by the Academy.

The financial risks the Academy faces are mitigated by the fact that they relate largely to bank balances, cash and trade creditors, with limited trade (and other) debtors. The exception is the Pension Scheme for Local Government Employees which has a current shortfall of £226,000 which the Academy is making up over 7 years. This amount is booked as a liability in these financial statements.

Plans for future periods

FUTURE DEVELOPMENTS

The Governors intend to continue their current strategies of improving the School's reputation by continuing to provide outstanding education for all students. Achieving high standards of academic results is a constant aim whilst maintaining the breadth and depth of wider education to develop the whole child. The Headteacher and senior staff continue to review the curriculum to ensure that the education provided remains appropriate for our students' development.

Our future plans are to improve the schools sports facilities by investing in a Multi Use Games Area (MUGA). As the school has nearly 600 pupils, we are looking to improve the size of the breakfast and afterhours facility. The Governors will be investigating different funding streams. Governors will ensure funding is invested appropriately for the next generation of students as they have done in the past for current students. Maintaining and, where necessary, developing the fabric of the facilities of the School are central to our strategy.

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

No such funds are held by Putnoe Primary School.

DISCLOSURE OF INFORMATION TO AUDITORS

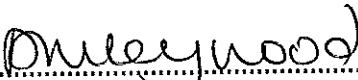
Each of the persons who are Governors at the time when this Governors' Report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, MHA MacIntyre Hudson, have indicated their willingness to continue in office. The Governors will propose a motion re-appointing the auditors at a meeting of the Governors.

This report, incorporating the Strategic Report, was approved by order of the Governing Body, as the company directors, on 8.12.15 and signed on the board's behalf by:


.....
Mrs Amy Lumley-Wood
Chair of Governors

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

SCOPE OF RESPONSIBILITY

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

The Governing Body has delegated the day-to-day responsibility to 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 Putnoe Primary School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Governors' Report and in the Governors' Responsibilities Statement. The Governing Body has formally met 6 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
Mrs Amy Lumley-Wood, Parent Governor & Chair	4	6
Mrs Deborah Orr, Parent Governor and Vice Chair	6	6
Mrs Katherine Stratford, Parent Governor	4	5
Mrs Gillian Peck, Headteacher	6	6
Mr Philip Merryman, Co-opted Governor	2	2
Mr Carl Du Plessis, Parent Governor	4	6
Mrs Elspeth Tierney, Staff Governor	6	6
Mrs Allison Llewellyn, Staff Governor	6	6
Mrs Noline Matemera, Co-opted Governor	0	4
Mr Jatinder Garcha, Co-opted Governor	2	6

During the course of the year the following resignations were received: Mr Philip Merryman, Mrs Noline Matemera and Mrs Katherine Stratford.

The Governing Body is continuing to search for suitable replacements after these resignations, with two candidates for co-option at the next full Governing Body Meeting.

Governance reviews:

The next performance review by the Governors will take place early in 2016.

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015 (continued)

The School was inspected by OFSTED in May 2015, and their comments on Governors were as follows:

- The Chair of the Governing Body and Governors show great determination and commitment to get the best possible support for staff, pupils and senior leaders. The Chair meets the Headteacher frequently and some Governors visit the school regularly; these visits focus on checking progress on the priorities of the school development plan.
- Governors receive regular reports from the Headteacher and subject leaders. These give Governors a clear understanding of the school's strengths and areas for development. Governors are confident to ask challenging questions of senior leaders. However, they do not have a sufficiently accurate view of the school's performance at Key Stage 2 against similar schools and all schools nationally. The task of gathering an objective view of the school's progress to hold the school to account relies heavily on a small group of dedicated Governors; this places a heavy burden on them.
- Governors ensure that the school meets all legal requirements and that the school's finances are managed properly. They are aware of the positive impact of the pupil premium funding and the primary school funding for physical education and sport. They ensure that this additional financial resource is improving the progress of disadvantaged pupils and pupils' skills in sport.
- Governors have a good understanding of the quality of teaching in the school. They take robust action to tackle underperformance on the rare occasions when it is needed. Governors ensure that staff progression through the salary scale points is tightly related to the quality of teaching and pupils' progress.

The Management Committee is a sub-committee of the main Governing Body. Its purpose is:

- to assist the decision making of the Governing Body by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity; and
- to make appropriate comments and recommendations on such matters to the Governing Body on a regular basis.

During the course of the year the Management Committee reviewed all the monthly finance reports against budget. The main focus of the year was the building project, which has been completed. Extra groundwork was required over and above the planned budget but the cost of this was met from contingencies. Staff sickness absence has again required supply teacher cover.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mr Philip Merryman, Co-opted Governor	1	2
Mrs Elspeth Tierney, Staff Governor	6	6
Mrs Gillian Peck, Headteacher	6	6
Mrs Amy Lumley-Wood, Parent Governor & Chair	4	6
Mr Carl Du Plessis, Parent Governor	4	6
Mr Jatinder Garcha, Co-opted Governor	0	6
Mrs Allison Llewellyn, Staff Governor (meetings attended in her capacity as Finance Manager)	6	6

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015 (continued)

The Standards Committee is also a sub-committee of the main Governing Body. Its purpose is to monitor the standards of teaching and learning in the school.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mrs Gillian Peck, Headteacher	3	3
Mrs Allison Llewellyn, Staff Governor	3	3
Mrs Katherine Stratford, Parent Governor	2	2
Mrs Deborah Orr, Parent Governor	3	3

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Governing Body where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Acquiring three quotes for purchases over the limit of £5,000.
- Ensure that the Management Committee has available regular, updated audits concerning budget holder reports, to monitor effective use of resources.
- Continually develop the school's target setting and tracking systems and share outcomes and analyses with staff and Governors to ensure finances are directed towards highlighted areas of need.

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 Putnoe Primary School for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015 (continued)

THE RISK AND CONTROL FRAMEWORK

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

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

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed MHA MacIntyre Hudson, the external auditors, to perform additional checks.

The auditors' role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- testing of income systems
- testing of payroll systems
- testing of purchasing systems
- testing of control account and bank reconciliations

On a quarterly basis, the auditors report to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

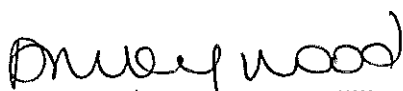
REVIEW OF EFFECTIVENESS

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Management Committee and Standards 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 8.12.15 and signed on its behalf, by:


.....
Mrs Amy Lumley Wood
Chair of Governors


.....
Gillian Peck
Accounting Officer

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2015**

As Accounting Officer of Putnoe Primary School I have considered my responsibility to notify the Academy Trust Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the Academy Trust Governing Body are able to identify any material, irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook (2014).

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.

.....

Gillian Peck
Accounting Officer

Date: 9-12-15

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

**GOVERNORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Governors (who act as trustees of Putnoe Primary School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report (including the Strategic 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:

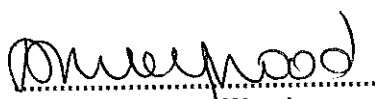
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2005;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 operation.

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 and signed on its behalf by:


.....
Mrs Amy Lumley-Wood
Chair of Governors

Date: 8 December 2015

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PUTNOE PRIMARY SCHOOL

We have audited the financial statements of Putnoe Primary School for the year ended 31 August 2015 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 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the Academy Trust'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 Trust'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 Trust 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 Trust 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 Trust'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 Trust's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 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, incorporating the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PUTNOE PRIMARY SCHOOL

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



Atul Kariya FCCA (Senior Statutory Auditor)
for and on behalf of
MHA MacIntyre Hudson
Chartered Accountants and Statutory Auditor
Equipoise House
Grove Place
Bedford
MK40 3LE

Date: *11 December 2015*

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO PUTNOE
PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 21 August 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Putnoe Primary School during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Putnoe Primary School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Putnoe Primary School 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 Putnoe Primary School and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF PUTNOE PRIMARY SCHOOL'S ACCOUNTING OFFICER AND THE
REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Putnoe Primary School's funding agreement with the Secretary of State for Education dated 27 March 2013, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO PUTNOE
PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

The work undertaken to draw to our conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy
- testing of a sample of payroll payments to staff
- testing of a sample of payments to suppliers and other third parties
- testing of a sample of grants received and other income streams
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer.

CONCLUSION

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



Reporting Accountant

MHA MacIntyre Hudson
Chartered Accountants
Equipoise House
Grove Place
Bedford
MK40 3LE

Date: *11 December 2015*

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	20,972	-	-	20,972	-
Activities for generating funds	3	103,557	330	-	103,887	103,734
Investment income	4	2,270	2,000	-	4,270	2,410
Incoming resources from charitable activities	5	-	2,404,231	588,285	2,992,516	2,387,529
TOTAL INCOMING RESOURCES		126,799	2,406,561	588,285	3,121,645	2,493,673
RESOURCES EXPENDED						
Charitable activities	7	78,659	2,110,714	91,301	2,280,674	1,949,489
Governance costs	8	-	21,646	-	21,646	20,446
Other resources expended	9	11,367	-	-	11,367	9,354
TOTAL RESOURCES EXPENDED	6	90,026	2,132,360	91,301	2,313,687	1,979,289
NET INCOMING RESOURCES BEFORE TRANSFERS		36,773	274,201	496,984	807,958	514,384

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfers between Funds	17	-	(166,877)	166,877	-	-
NET INCOME FOR THE YEAR		36,773	107,324	663,861	807,958	514,384
Actuarial gains and losses on defined benefit pension schemes		-	(4,000)	-	(4,000)	5,000
NET MOVEMENT IN FUNDS FOR THE YEAR		36,773	103,324	663,861	803,958	519,384
Total funds at 1 September 2014		62,160	254,444	6,183,559	6,500,163	5,980,779
TOTAL FUNDS AT 31 AUGUST 2015		98,933	357,768	6,847,420	7,304,121	6,500,163

All activities relate to continuing operations.

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

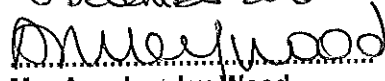
The notes on pages 26 to 47 form part of these financial statements.

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08434113

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	14		6,847,420		5,671,816
CURRENT ASSETS					
Debtors	15	146,306		89,597	
Cash at bank and in hand		656,895		1,000,016	
		<u>803,201</u>		<u>1,089,613</u>	
CREDITORS: amounts falling due within one year	16	(120,500)		(52,266)	
NET CURRENT ASSETS			682,701		1,037,347
TOTAL ASSETS LESS CURRENT LIABILITIES			7,530,121		6,709,163
Defined benefit pension scheme liability	23		(226,000)		(209,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>7,304,121</u>		<u>6,500,163</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	17	583,768		463,444	
Restricted fixed asset funds	17	6,847,420		6,183,559	
		<u>7,431,188</u>		<u>6,647,003</u>	
Restricted funds excluding pension liability					
Pension reserve		(226,000)		(209,000)	
		<u></u>		<u></u>	
Total restricted funds			7,205,188		6,438,003
Unrestricted funds	17		98,933		62,160
TOTAL FUNDS			<u>7,304,121</u>		<u>6,500,163</u>

The financial statements were approved by the Governors, and authorised for issue, on 8 December 2015 and are signed on their behalf, by:


 Mrs Amy Lumley-Wood
 Chair of Governors


 Mrs Gillian Peck
 Accounting Officer

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

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	19	333,229	721,698
Returns on investments and servicing of finance	20	2,270	2,410
Capital expenditure and financial investment	20	(678,620)	202,009
(DECREASE)/INCREASE IN CASH IN THE YEAR		(343,121)	926,117

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

	2015 £	2014 £
(Decrease)/Increase in cash in the year	(343,121)	926,117
MOVEMENT IN NET FUNDS IN THE YEAR	(343,121)	926,117
Net funds at 1 September 2014	1,000,016	73,899
NET FUNDS AT 31 AUGUST 2015	656,895	1,000,016

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

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 Going concern

The 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 Trust 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.

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

1. ACCOUNTING POLICIES (continued)

1.3 Incoming resources

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

Grants Receivable

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

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

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

Donations

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

Other income

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

Donated Services and Gifts in Kind

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

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

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.

Charitable activities

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

Governance costs

Governance costs include the costs attributable to the Academy Trust'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.

1.5 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

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

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

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

Freehold buildings	-	2% per annum on a straight line basis
Motor vehicles	-	20% per annum on a straight line basis
Fixtures and fittings	-	25% per annum on a straight line basis
Computer equipment	-	25% per annum on a straight line basis
Freehold land	-	Not depreciated

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.6 Taxation

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

1.7 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 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 23, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on 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.

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.9 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency, Department for Education or other funders.

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

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfer from Local Authority on conversion	20,972	-	20,972	-

The above income was received during the year in relation to the balance held on the school fund bank account which had previously not been transferred to the Academy.

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Hire of facilities	7,775	-	7,775	7,274
Other income	18,399	330	18,729	30,764
School shop	10,254	-	10,254	10,212
School clubs	67,129	-	67,129	55,484
	103,557	330	103,887	103,734

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest receivable	2,270	-	2,270	2,410
Pension income	-	2,000	2,000	-
	<u>2,270</u>	<u>2,000</u>	<u>4,270</u>	<u>2,410</u>

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	1,803,024	1,803,024	1,695,759
Pupil Premium	-	334,137	334,137	248,993
Devolved Formula Capital grants (Restricted Fixed Asset Fund)	-	9,602	9,602	8,781
Other EFA/DfE grants	-	77,389	77,389	9,880
	<u>-</u>	<u>2,224,152</u>	<u>2,224,152</u>	<u>1,963,413</u>
Other government grants				
Academies Capital Maintenance Fund (Restricted Fixed Asset Fund)	-	518,683	518,683	222,293
Local authority grants	-	177,716	177,716	185,331
Local authority capital grant	-	60,000	60,000	-
	<u>-</u>	<u>756,399</u>	<u>756,399</u>	<u>407,624</u>
Other funding				
Other income	-	11,965	11,965	16,492
	<u>-</u>	<u>11,965</u>	<u>11,965</u>	<u>16,492</u>
	<u>-</u>	<u>2,992,516</u>	<u>2,992,516</u>	<u>2,387,529</u>

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

6. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure		Total	Total
	2015	Premises	Other costs	2015	2014
	£	2015	2015	£	£
		£	£		
Direct costs - Educational operations	1,468,577	-	191,749	1,660,326	1,478,318
Support costs - Educational operations	214,925	75,000	330,423	620,348	471,171
Charitable activities	1,683,502	75,000	522,172	2,280,674	1,949,489
Governance	-	-	21,646	21,646	20,446
Other resources expended	-	-	11,367	11,367	9,354
	1,683,502	75,000	555,185	2,313,687	1,979,289

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

7. CHARITABLE ACTIVITIES

	Total funds 2015 £	Total funds 2014 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	1,141,676	1,058,537
National insurance	71,461	67,738
Pension cost	190,927	157,849
Agency staff costs	64,513	42,684
Educational supplies	96,134	72,926
Staff development	4,676	15,201
Staff related insurance	19,531	14,092
Technology costs	15,781	12,463
Travel and subsistence	-	64
Other direct costs	55,627	36,764
	<u>1,660,326</u>	<u>1,478,318</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	171,859	165,807
National insurance	7,545	7,189
Pension cost	35,521	33,718
Depreciation	91,301	79,023
Pension income	-	5,000
Technology costs	17,805	13,654
Maintenance of premises and equipment	50,601	28,675
Operating lease rentals	7,169	6,645
Rent and rates	5,230	5,729
Energy	25,914	24,314
Insurance	19,129	24,076
Catering	140,547	42,284
Other occupancy costs	15,786	13,753
Other support costs	31,941	21,304
	<u>620,348</u>	<u>471,171</u>
	<u><u>2,280,674</u></u>	<u><u>1,949,489</u></u>

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

8. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	-	6,500	6,500	6,000
Auditors' non audit costs	-	5,200	5,200	3,950
Legal and professional	-	9,946	9,946	10,496
	<u>-</u>	<u>21,646</u>	<u>21,646</u>	<u>20,446</u>

9. OTHER RESOURCES EXPENDED

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
School uniform	10,876	-	10,876	9,354
Music tuition costs	491	-	491	-
	<u>11,367</u>	<u>-</u>	<u>11,367</u>	<u>9,354</u>

10. NET INCOMING RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	91,301	79,023
Auditors' remuneration	6,500	6,000
Auditors' remuneration - non-audit	5,200	3,950
Operating lease rentals:		
- other operating leases	6,887	6,645
	<u>6,887</u>	<u>6,645</u>

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

11. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	1,313,535	1,224,343
Social security costs	79,006	74,927
Other pension costs (Note 23)	226,448	191,567
	<u>1,618,989</u>	<u>1,490,837</u>
Supply teacher costs	64,513	42,684
	<u>1,683,502</u>	<u>1,533,521</u>

b. Staff numbers

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

	2015 No.	2014 No.
Teaching	18	17
Administration and support	29	26
Management	2	2
	<u>49</u>	<u>45</u>

c. Higher paid staff

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

	2015 No.	2014 No.
In the band £70,001 - £80,000	<u>1</u>	<u>1</u>

The above bandings state annualised employee emoluments before employer's pension contributions.

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

12. GOVERNORS' REMUNERATION AND EXPENSES

The Headteacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Governors. The value of Governors' remuneration during their term of office in the period ended 31 August 2015 (including employer's pension contributions) fell within the following bands:

Mrs Gillian Peck (Headteacher):

Remuneration	£70,000 - £75,000 (2014: £70,000 - £75,000)
Employer's pension contributions	£10,000 - £15,000 (2014: £10,000 - £15,000)

Mrs Allison Llewellyn (Staff Governor):

Remuneration	£30,000 - £35,000 (2014: £25,000 - £30,000)
Employer's pension contributions	£5,000 - £10,000 (2014: £5,000 - £10,000)

Mrs Elspeth Tierney (Staff Governor):

Remuneration	£5,000 - £10,000 (2014: £5,000 - £10,000)
Employer's pension contributions	£0,000 - £5,000 (2014: £0,000 - £5,000)

During the year, no Governors received any reimbursement of expenses (2014 - £NIL).

13. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and any one membership year. The cost of the insurance for the year ended 31 August 2015 is included in the total insurance cost of which £12,614 was paid to Zurich up to 31 March 2015 and from 1 April 2015 £5,135 was paid under the Department for Education's Risk Protection Arrangement (RPA). The RPA is not an insurance scheme but is a mechanism through which the costs of risks that materialise from 1 April 2015 are covered by government funds. In the year ended 31 August 2014 an amount of £1,250 was paid in respect of Governors' and Officers' insurance and this cost was included in the total insurance cost.

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

14. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2014	5,763,857	3,000	10,365	6,117	5,783,339
Additions	1,034,898	-	124,428	107,579	1,266,905
At 31 August 2015	6,798,755	3,000	134,793	113,696	7,050,244
Depreciation					
At 1 September 2014	106,250	3,000	1,366	907	111,523
Charge for the year	75,000	-	8,541	7,760	91,301
At 31 August 2015	181,250	3,000	9,907	8,667	202,824
Net book value					
At 31 August 2015	6,617,505	-	124,886	105,029	6,847,420
At 31 August 2014	5,657,607	-	8,999	5,210	5,671,816

Included in freehold property is freehold land at valuation at conversion to Academy status of £2,000,000 which is not depreciated.

The additions to freehold property relate to costs incurred in the year on the building of the new classroom block which was significantly financed through the Academies Capital Maintenance Fund. An amount of £518,683 has been received during the year ended 31 August 2015 (2014: £222,293).

15. DEBTORS

	2015 £	2014 £
Trade debtors	91	410
VAT repayable	67,718	20,768
Prepayments and accrued income	78,497	68,419
	<u>146,306</u>	<u>89,597</u>

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

16. CREDITORS:

Amounts falling due within one year

	2015 £	2014 £
Trade creditors	65,726	59
Accruals and deferred income	54,774	52,207
	<u>120,500</u>	<u>52,266</u>
		£
Deferred income		
Deferred income at 1 September 2014		45,207
Resources deferred during the year		44,989
Amounts released from previous years		<u>(45,207)</u>
Deferred income at 31 August 2015		<u>44,989</u>

At the balance sheet date the Academy Trust was holding funds received in advance for the following purposes: capital funding £5,731 (2014: £5,508) and Universal Infant Free School Meals £39,258 (2014: £39,699).

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

17. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General unrestricted funds	62,160	126,799	(90,026)	-	-	98,933
Restricted funds						
General Annual Grant (GAG)	352,443	1,803,024	(1,488,002)	(166,877)	-	500,588
Other restricted funds	111,001	601,537	(629,358)	-	-	83,180
Pension reserve	(209,000)	2,000	(15,000)	-	(4,000)	(226,000)
	<u>254,444</u>	<u>2,406,561</u>	<u>(2,132,360)</u>	<u>(166,877)</u>	<u>(4,000)</u>	<u>357,768</u>
Restricted fixed asset funds						
Capital grants and income	6,183,559	588,285	(91,301)	166,877	-	6,847,420
Total restricted funds	<u>6,438,003</u>	<u>2,994,846</u>	<u>(2,223,661)</u>	<u>-</u>	<u>(4,000)</u>	<u>7,205,188</u>
Total of funds	<u><u>6,500,163</u></u>	<u><u>3,121,645</u></u>	<u><u>(2,313,687)</u></u>	<u><u>-</u></u>	<u><u>(4,000)</u></u>	<u><u>7,304,121</u></u>

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

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

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant. This includes pupil premium and other local authority funding for which income received is used to cover costs associated with these activities.

The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme. An amount of £216,000 was transferred to the Academy Trust in respect of the deficit on this pension scheme at the date of conversion to an Academy. The fund is in deficit but given the nature of the liability this is not payable immediately.

The transfer between the restricted General Annual Grant fund and restricted fixed asset funds represents amounts capitalised during the year.

The restricted fixed asset fund was funded predominantly by the funds inherited on conversion from the Bedford Borough local authority following the transfer of the land and buildings. Restricted capital funds of £511,743 are included in the Restricted Fixed Asset Fund at the balance sheet date.

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

17. STATEMENT OF FUNDS (continued)

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

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	6,847,420	6,847,420	5,671,816
Current assets	98,933	704,268	-	803,201	1,089,613
Creditors due within one year	-	(120,500)	-	(120,500)	(52,266)
Pension scheme liability	-	(226,000)	-	(226,000)	(209,000)
	<u>98,933</u>	<u>357,768</u>	<u>6,847,420</u>	<u>7,304,121</u>	<u>6,500,163</u>

19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before transfers	807,958	514,384
Returns on investments and servicing of finance	(2,270)	(2,410)
Depreciation of tangible fixed assets	91,301	79,023
Capital grants	(588,285)	(231,074)
(Increase)/decrease in debtors	(56,709)	328,838
Increase in creditors	68,234	27,937
FRS 17 pension cost less contributions payable	15,000	-
FRS 17 pension finance income	(2,000)	5,000
Net cash inflow from operations	<u>333,229</u>	<u>721,698</u>

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

	2015 £	2014 £
Returns on investments and servicing of finance	2,270	2,410
Interest received	<u>2,270</u>	<u>2,410</u>

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

20. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(1,266,905)	(29,065)
Capital grants	588,285	231,074
	<u>(678,620)</u>	<u>202,009</u>
Net cash (outflow)/inflow capital expenditure	<u>(678,620)</u>	<u>202,009</u>

21. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	1,000,016	(343,121)	-	656,895
Net funds	<u>1,000,016</u>	<u>(343,121)</u>	<u>-</u>	<u>656,895</u>

22. MEMBERS LIABILITY

The Academy Trust is a company limited by guarantee and does not have share capital.

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.

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

23. PENSION COMMITMENTS

The Academy Trust'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 Bedford Borough Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

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

23. PENSION COMMITMENTS (continued)

The pension costs paid to TPS in the period amounted to £104,000 (2014: £94,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £135,000, of which employer's contributions totalled £107,000 and employees' contributions totalled £28,000. The agreed contribution rates for future years are 23.2% for employers and between 5.5% and 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.

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

23. PENSION COMMITMENTS (continued)

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	3.80	433,000	6.30	343,000
Bonds	3.80	116,000	3.30	95,000
Property	3.80	71,000	4.50	45,000
Cash	3.80	26,000	3.30	15,000
Total market value of assets		646,000		498,000
Present value of scheme liabilities		(872,000)		(707,000)
Deficit in the scheme		(226,000)		(209,000)

The expected rate of return is based on the long-term future expected investment return for each asset class at the beginning of the period.

The amounts recognised in the balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(872,000)	(707,000)
Fair value of scheme assets	646,000	498,000
Net liability	(226,000)	(209,000)

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

	2015 £	2014 £
Current service cost	(122,000)	(98,000)
Interest on obligation	(29,000)	(28,000)
Expected return on scheme assets	31,000	23,000
Total	(120,000)	(103,000)
Actual return on scheme assets	13,000	44,000

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

23. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Opening defined benefit obligation	707,000	539,000
Current service cost	122,000	98,000
Interest cost	29,000	28,000
Contributions by scheme participants	28,000	26,000
Actuarial (Gains)/losses	(14,000)	16,000
	<u>872,000</u>	<u>707,000</u>
Closing defined benefit obligation		

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

	2015 £	2014 £
Opening fair value of scheme assets	498,000	330,000
Expected return on assets	31,000	23,000
Actuarial gains and (losses)	(18,000)	21,000
Contributions by employer	107,000	98,000
Contributions by employees	28,000	26,000
	<u>646,000</u>	<u>498,000</u>

The cumulative amount of actuarial gains recognised in the Statement of Financial Activities since the adoption of FRS 17 is a £14,000 gain (2014 - £18,000 gain).

The Academy Trust expects to contribute £106,000 to its Defined Benefit Pension Scheme in 2016.

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

	2015	2014
Discount rate for scheme liabilities	3.80 %	3.70 %
Expected return on scheme assets at 31 August	3.80 %	5.40 %
Rate of increase in salaries	3.60 %	3.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %

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

	2015	2014
Retiring today		
Males	22.4	22.4
Females	24.3	24.3
Retiring in 20 years		
Males	24.4	24.4
Females	26.8	26.8

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

23. PENSION COMMITMENTS (continued)

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

Defined benefit pension schemes

	2015 £	2014 £	2013 £
Defined benefit obligation	(872,000)	(707,000)	(539,000)
Scheme assets	646,000	498,000	330,000
Deficit	<u>(226,000)</u>	<u>(209,000)</u>	<u>(209,000)</u>
Experience adjustments on scheme assets	<u>(18,000)</u>	<u>21,000</u>	<u>(3,000)</u>

24. OPERATING LEASE COMMITMENTS

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

	2015 £	2014 £
Expiry date:		
Between 2 and 5 years	<u>7,687</u>	<u>6,887</u>

All commitments above relate to assets other than land and buildings.

PUTNOE PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

25. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust's operations and the composition of the Governing Body 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 Trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account other than those disclosed in note 12.

26. OTHER FINANCE INCOME

	2015 £	2014 £
Expected return on pension scheme assets	31,000	23,000
Interest on pension scheme liabilities	(29,000)	(28,000)
	<u>2,000</u>	<u>(5,000)</u>