
Sawston Village College

(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the year ended 31 August 2016

Company registration number:

07627138 (England and Wales)

Sawston Village College, Company number 07627138
Company Limited by Guarantee

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Reference and Administration Details

Year ended 31 August 2016

Company Registration Number 07627138

Principal and Registered Office New Road
Sawston
Cambridge
CB22 3BP

Members Mr B Ashurst
Mr M Postle
Mr R Cowling

Governors Mr D Lamkin* - (Chair)
Mr B Ashurst*
Mr R Cowling*
Mr J Culpin* – (Principal)
Mr M Dawe
Dr S Fitzgerald*
Dr G Kenney*
Mrs P Stanton*
Mr V Kitay – resigned 6 February 2016
Ms S Hickling
Mr E Westrip
Miss S Gelder – resigned 31 August 2016
Mrs S Franklin*
Mrs N Morant
Mrs H Meikle – appointed 2 December 2015
Mrs T Page – appointed 2 December 2015

* members of the Resources Committee

Company Secretary Mr B Croft

Senior Management Team Mr J Culpin – Principal
Mr J Russell – Deputy Principal
Mr P Wallace – Deputy Principal
Mrs F Dickens – Assistant Principal – resigned 31 August 2016
Mr D Burgess – Assistant Principal
Mr J Woodcock – Assistant Principal

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Reference and Administration Details

Year ended 31 August 2016

Independent Auditor

MHA MacIntyre Hudson
Chartered Accountants
& Statutory Auditor
8-12 Priestgate
Peterborough
PE1 1JA

Bankers

Barclays Bank plc
12a Market Place
Saffron Walden
Essex
CB10 1HR

Solicitors

Stone King
Thirty Station Road
Cambridge
CB1 2RE

Sawston Village College, Company number 07627138
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Governors' Annual Report

Year ended 31 August 2016

The governors present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2016. The annual report serves the purpose of both a governors' report, and a director's report under company law.

Going concern

On the 1st September 2016 all assets and liabilities of the Academy were transferred over to Anglian Learning a multi academy trust.

The board of trustees have considered the appropriateness of the going concern basis in view of the transfer of the assets and the liabilities. As the transfer has been made at book value the trustees believe it is appropriate to continue 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.

Reference and administrative details

Reference and administrative details are shown in the schedule of reference and administrative details on page 1 and 2 of the financial statements.

The governors

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

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 Governors act as the trustees for the charitable activities of Sawston Village College and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Sawston Village College.

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

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' Indemnities

The academy has in place Public Liability insurance which includes insurance cover for Governors as individuals and as a body whilst carrying out their role on the Governing Body. The insurance provides £2m of liability insurance cover for claims made by third parties arising from decisions or actions taken by the Governing Body or individual governors acting in good faith within the scope of their duties as governors. The principal exclusions are for claims arising from:

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Year ended 31 August 2016

1. Fraud or dishonesty;
2. Deliberate actions that lead to a loss;
3. Illegal or immoral acts.

Principle Activities

The academies principle activity is to provide Secondary Education to the state sector and sports facilities to the general public.

Method of Recruitment and Appointment or Election of governors

Governors are appointed to the Sawston Village College Academy Trust Board of Governors by a variety of means. Parent and staff governors are elected by the relevant constituencies to serve four year terms of office. Other governors including foundation, Trust and co-opted governors are elected or nominated to join as appropriate. There is also a representative nominated by the Local Authority. The Principal is an ex officio member of the Board.

New governors are recruited as required in line with the constitution of the Academy Board. It is considered desirable that new governors are appointed who have a depth of knowledge and experience from a range of backgrounds and if possible in areas where there may currently be a skill's gap on the Board.

Policies and Procedures Adopted for the Induction and Training of governors

The college subscribes to the County Council's professional service for the training, induction and development of governors, as well as providing its own internal training. Recent training from the County Council has included dealing with personnel, safeguarding of children and resource management.

Organisational Structure

Strategic oversight of the college remains the responsibility of the Board of Governors. This includes establishing the aims and objectives of the college, reviewing performance, ensuring probity in financial conduct and auditing the safety and well being of pupils. Day to day operations of the college are delegated to the Principal and the Senior Leadership Team, supported by the Bursar. The Principal acts as the responsible Accounting Officer.

Arrangements for setting pay and remuneration for key management personnel

Following the completion of the performance management process, the performance review statements of all staff (outside of the SLT) are reviewed by the SLT to ensure consistency, accuracy and to moderate recommendations. These are then presented to the Governors' Pay Review Committee who, with the Principal, scrutinise the evidence for any pay award and make decisions appropriately. Decisions about the performance of the SLT are also reviewed by this Committee, with the Principal presenting evidence as appropriate. All decisions are made in the context of the college's pay policy, the STPCD 2015 and Teacher Standards. The pay and performance of the Principal is undertaken separately with the involvement of an external reviewer and also the Chief Executive Officer of Anglian Learning, to add further objectivity in any decision making process. Finally, a report is presented to the Local Governing Body of the Academy detailing the methodology used in the whole pay and performance review process.

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Year ended 31 August 2016

Risk Management

The college manages a wide range of lists as part of its operations and is organised and structured to minimise risk whenever and wherever possible. The major risks the school seeks to manage are:

- Health and safety;
- Financial;
- Resources; and
- Personnel.

Health and safety is managed through the purchase of professional advice, from the private sector and from Cambridgeshire LA, as well as robust internal procedures that have been externally tested and validated. A health and safety committee meets once a term and includes governor representation.

Financial risk can be attributed to reduction in the central government grant and decline in other sources of revenue, including the Sports Centre. Furthermore, a decline in the number of pupils coming into the school would also represent a medium and long term risk to the viability of various operations. The college manages this risk through tight financial controls, a policy of carrying a sufficient surplus to deal with year on year changes to grants and other revenue and a proactive policy to recruit pupils from beyond the catchment but in accordance with local protocols. Financial risks are subject to termly review by governors.

Resources including buildings and ICT are subject to annual reviews, long term planning and specialist advice, to prepare for renewal and replacement costs. Where appropriate the school also purchases external advice and support and the school ICT system is protected by Cambridgeshire ICT Service. Resource risk is subject to termly review by governors.

Personnel risks, including industrial dispute and compensation claims are managed through the purchase of professional advice and support. Personnel risks are subject to termly review by governors.

Connected Organisations, including Related Party Relationships

The Academy Trust is a member of the Henry Morris Community Trust (HMCT), a partnership of local and national institutions dedicated to raising achievement and aspiration for young people. The strategic aims and objectives of the college are aligned with the HMCT. The college is also a member of the Cambridge Area Partnership which co-ordinates advice, guidance and transition for 14-19 education providers; is a member of the East and South Cambridgeshire Inclusion Partnership which seeks to reduce disengagement and exclusion from schools; and is part of a Locality Partnership with another local academy to provide children's services. Finally, the college is a member of the Suffolk Schools Alliance (CASSA), a designated teaching alliance of good and outstanding schools to provide school improvement services to other educational institutions. From September 2016 the college will be part of Anglian Learning, a multi academy trust.

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Year ended 31 August 2016

Core Aims and Principles

Sawston Village College regards each member of the school community as a valuable individual, regardless of race, social background, gender or ability.

Core Aims

- a) Unlocking potential
- b) Creating opportunity
- c) Achieving excellence

Core Principles

All members of the college will:

- a) Achieve their highest academic potential;
- b) Create and embrace exceptional opportunities to excel;
- c) Value, respect and care for each other;
- d) Take responsibility to support their school and the wider community,
- e) Develop the skills, resilience and confidence.

In order to be successful in education, employment and life.

Objectives, Strategies and Activities

By 2017, the college will have:

- **raised the achievement of all pupils and have significantly decreased the performance gap for disadvantaged, lower ability and SEN pupils;**
 - **consistent excellent teaching;**
 - **pupils who demonstrate personal responsibility, creativity and resilience;**
 - **built strong and sustainable partnerships which increase capacity and opportunity;**
 - **dynamic and powerful College identity which also improves recruitment and retention.**
- Intervene and support for academic progression**

Public Benefit

The key public benefit delivered by the Academy trust is the provision of a high quality education, as measured by examination performance, enrichment opportunities, community cohesion and a commitment to lifelong learning. We work closely with our primary school partners and other organisations including local charities and public sector bodies to achieve these aims.

Achievements and performance

Sawston Village College is outstanding. Success can be seen: in the depth of the quality of teaching; the progress and inspiration of our learners; the rich array of opportunities and extra-curricular provision; the stunning creativity of our films, music, and drama; the democratic voice of our pupil led forum and the maturity of our pupil leaders; the talents and politeness of our pupils; the calmness and beauty of the site; the pride with which we serve our community; and the value and ethos we hold dear. Success is further defined by the following key points:

- **Attainment and rates of progress are above the national averages.** The gap between disadvantaged and SEN/D pupils, and the rest of the cohort continues to close. **Pupils who face significantly complex and exceptional challenges are served well by the college**, and even if they cannot access the full curriculum, they are provided with the skills and pathways to ensure they progress appropriately in Post 16 education.
- **Behaviour and safety are outstanding.** The vast majority of pupils are supportive of the College and of each other. They want to do well at school and work with their teachers to do so.
- **The quality of teaching and learning is good and outstanding, has improved significantly since the last inspection and is continuing to get better**, with examples of outstanding teaching in nearly all departments.
- **Leadership is strongly focused on improving the quality of teaching and closing the gap.** All leaders are self-critical and reflective, always seeking to improve the provision available to young people and in having high expectations for pupils and staff.
- **Governance is appropriately challenging** and has the strategic view to develop further, for example the College is seeking out new partnerships to enhance its own work and support system wide improvement.
- The College believes that it is **outstanding in promoting SMSC** in all of its work. Opportunities for young people in all subjects are excellent. The College is passionate in ensuring that the education received by young people is broader and richer than the simply measured by examination outcomes and remains true to the ethos of the village college movement.
- **Safeguarding is highly effective, thought never complacent.**

Key Performance Indicators

The key performance indicators for the college are examination outcomes. In 2016 the college achieved a very high level of performance (when measured against national performance indicators for attainment).

Main Indicators	2016	2015
GCSE 5A*-C	82%	79%
GCSE 5A*-C with English and Maths	76%	75%
Capped Average Points Score – best 8 subjects	347.0 points	345.0 points
English - 3 Levels of progress	82%	86%
Maths - 3 Levels of progress	86%	87%
Achieving the English Baccalaureate	43%	40%
GCSE 5 A* - G	96%	97%
English GCSE Average Points Score	43.4 points	44.0 points
Maths GCSE Average Points Score	45.5 points	44.9 points
Attainment 8	56.46 points	n/a
Progress 8	0.28	n/a

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Financial review

The academy remains in a strong financial position although this academic year, due to demographic factors, there is a fall in pupil numbers. In essence it is the pupil numbers which drives the level of funding but the reduced funding is covered by tight budgeting and held reserves.

During the year the total restricted expenditure was covered by the recurrent grant funding from the EFA and the Governors consider that this expenditure met the key objectives of the Academy.

As at 31 August 2016 the Unrestricted Income Fund had a deficit balance of £22,386 (2015 fund of £37,108) and the Restricted Income Fund to £438,163 (2015 £275,275) excluding the Pension Scheme deficit. The Fixed Asset Fund amounted to £15,054,918 (2015 £15,322,667).

The deficit of the Academy's share of the Local Government Pension Scheme amounted to £2,390,000 (2015 £1,296,000).

As at 31 August 2016 Total Reserves amounted to £13,080,695 (2015 £14,339,050).

Financial and Risk Management Objectives and Policies

The Academy is not aware of any financial risk that cannot be met from its current reserves.

The Academy has a Risk Management Strategy and a Risk Register in place both of which are reviewed on an on-going basis.

Principal Risks and Uncertainties

As part of the Cambridgeshire LA Sawston Village College forms part of one of the worst funded authorities in the country. Although the Government is currently looking to review the National Funding Formula the Governors are concerned that changes to the existing system will not take place and as a result additional resources will not be made available. In fact, funding may be reduced due to economic pressures which will have a direct effect on teaching and learning and future investment within the academy.

Apart from the level of funding uncertainty the other principle risk relates to suppliers and contractors who fail to deliver the required service as a result of their own financial hardship or bad management. We need therefore to ensure we are vigilant and our systems are robust.

Reserves Policy

The Academy continually reviews the need to invest funds to improve the infrastructure of the whole site ensuring the teaching and learning facilities meet the current needs.

The Governors feel it appropriate to ensure that if the financial position permits a reserves level of approximately £500,000 should be established.

Investment Policy

The academy does not have an investment policy. All reserves are held by way of a cash balance with the bank.

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Plans for future years

The college is now part of a wider multi academy trust and has the following priorities:

- to respond to the increasingly difficult climate by introducing further savings and efficiencies;
- maintaining current levels of high performance in public examinations;
- improving the achievement and life chances for disadvantaged pupils;
- developing the estate and facilities of the college;
- recruiting and retaining the very best staff to work at the college.

Auditor

In so far as the Governors are aware:

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

Approved by order of the members of the board of trustees on 6 December 2016 and signed on its behalf by:

Signed on behalf of the governors

.....

Mr D R Lamkin, Chair of Governors

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Governance Statement

Year ended 31 August 2016

Scope of Responsibility

As governors, we acknowledge we have overall responsibility for ensuring that Sawston Village College 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 Principal, 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 Sawston Village College 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 Statement of Governors Responsibilities. 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 D R Lamkin – Chair of Governors	4	4
Mr B Ashurst – Chair of Resources and also Pay Review	3	4
Mr R Cowling - Appointed by Members of the Academy Trust	3	4
Mr J Culpin – Principal	4	4
Mrs J Bennett – Staff Governor – resigned 7 October 2015	0	1
Mr M Dawe – Appointed by Members of the Academy Trust	0	4
Dr S Fitzgerald – Appointed by Members of the Academy Trust	2	4
Dr G Kenney – Appointed by Members of the Academy Trust	3	4
Mrs P Stanton – Appointed by Members of the Academy Trust	4	4
Mr V Kitay – Parent Governor –resigned 6 February 2016	2	2
Ms S Hickling – Parent Governor	4	4
Mr E Westrip – Parent Governor	3	4
Miss S Gelder – Staff Governor - resigned 31 August 2016	3	4
Mrs S Franklin – Parent Governor	4	4
Mrs N Morant – Parent Governor	3	4
Mrs H Meikle – appointed 8 February 2016	2	2
Mrs T Page – appointed 8 February 2016	1	2

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Governance Statement (continued)

Year ended 31 August 2016

Resources Committee

The Resources Committee is a sub-committee of the main governing body. Its purpose is to act for the Governing Body in all matters relating to the governor's financial responsibilities and ensure the Governing Body has a strategic approach to its physical facilities ensuring that they are for purpose. Attendance during the year at meetings of the governing body was as follows:

Governor	Meetings attended	Out of a possible
Mr D R Lamkin – Chair of Governors	3	3
Mr B Ashurst – Chair of Resources and also Pay Review	3	3
Mr R Cowling – Appointed by Members of the Academy Trust	3	3
Mr J Culpin – Principal	1	3
Mrs J Bennett – Staff Governor – resigned 7 October 2015	0	0
Dr S Fitzgerald – Appointed by Members of the Academy Trust	3	3
Dr G Kenney – Appointed by Members of the Academy Trust	2	3
Mrs P Stanton – Appointed by Members of the Academy Trust	3	3
Mrs S Franklin – Parent Governor	0	3

Review of Value for Money

As Accounting Officer the Principal 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 the academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the academy trust has delivered improved value for money during the year by:

- delivering improved examination outcomes despite increased costs and limited income from the Educational Funding Agency
- regularly reviewing expenditure against budgeted predictions on a monthly basis, addressing any projected overspends and adjusting expenditure as appropriate
- ensuring that the deployment of staff into the college curriculum is as efficient as possible
- directing additional resources into English and Maths to respond to the increased focus on the performance of these subject areas
- reviewing the pastoral leadership structure, reducing the number of post holders to provide a more streamlined and cost effective model
- investing in extended sports facilities to ensure increased revenue in future years

Governance Statement (continued)

Year ended 31 August 2016

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 Sawston Village College for the year ended 31 August 2016 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 on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ending 31 August 2016 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 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 yearly financial reports which are reviewed and agreed by the governing body;
- regular reviews by the Finance and General Purposes 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.

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Governance Statement (continued)

Year ended 31 August 2016

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 Nicholas Cliffe, Chartered Accountant, to act as the Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. During this accounting year RO carried out separate checks for each term and provided a single report to the governing body on the operation of the systems of control and on the discharge of the governing body's financial responsibilities. This report indicated that there were no errors or exceptions found and that the academies procedures to prepare the financial reports and returns appeared accurate and complete.

Review of Effectiveness

As accounting officer, the Principal 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 auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the governing body on 6 December 2016 and signed on its behalf by:

.....
Mr D R Lamkin,
Chair of Governors

.....
Mr J M Culpin,
Accounting officer

**Sawston Village College, Company number 07627138
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Statement on Regularity, Propriety and Compliance

Year ended 31 August 2016

As the Accounting Officer of Sawston Village College I have considered my responsibility to notify the academy trust governing body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

Mr J M Culpin,
Accounting officer

Date:

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Statement of Governors Responsibility

Year ended 31 August 2016

The Governors (who act as trustees for charitable activities of Sawston Village College 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 Requirements 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 year. In preparing these financial statements, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The 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 the 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 6 December 2016 and signed on its behalf by:

.....
Mr D R Lamkin,
Chair of Governors

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Independent Auditor's Report to the Members of Sawston Village College

Year ended 31 August 2016

We have audited the financial statements of Sawston Village College for the year ended 31 August 2016 which comprises the Statement of Financial Activities Incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows 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 Annual Accounts Direction 2015 to 2016 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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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 Statement of Governors' Responsibilities set out on page 7, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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 2016 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 Annual Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

**Sawston Village College, Company number 07627138
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Independent Auditor's Report to the Members of Sawston Village College (continued)

Year ended 31 August 2016

Opinion on other matter prescribed by the Companies Act 2006

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

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.

Stuart Manning FCA (Senior Statutory Auditor)
For and on behalf of
MHA MacIntyre Hudson
Chartered Accountants & Statutory Auditor
8-12 Priestgate
Peterborough
PE1 1JA

Date :

**Sawston Village College, Company number 07627138
Company Limited by Guarantee**

**Independent Reporting Accountant's Assurance Report on Regularity to Sawston Village College and
the Education Funding Agency**

Year ended 31 August 2016

In accordance with the terms of our engagement letter and further to the requirements for the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Sawston Village College during the year to 31 August 2016 have been applied to the purpose identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Sawston Village College's accounting officer and the reporting
accountant**

The Accounting Officer is responsible, under the requirements of Sawston Village College's funding agreement with the Secretary of State for Education dated 27 May 2011 and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. 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 to 31 August 2016 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 review in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

A limited assurance engagement is more limited in scope than 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.

**Sawston Village College, Company number 07627138
Company Limited by Guarantee**

**Independent Reporting Accountant's Assurance Report on Regularity to Sawston Village College and
the Education Funding Agency**

Year ended 31 August 2016

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 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Stuart Manning FCA (Senior Statutory Auditor)
For and on behalf of
MHA MacIntyre Hudson
Chartered Accountants & Statutory Auditor
8-12 Priestgate
Peterborough
PE1 1JA

Date :

Sawston Village College, Company number 07627138
Company Limited by Guarantee

Statement of Financial Activities (incorporating the Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

Year ended 31 August 2016

	Notes	Unrestricted funds £	Restricted funds £	Restricted fixed assets funds £	2016 Total funds £	2015 Total funds £
Incoming resources						
<i>Incoming resources from generating funds:</i>						
Donations and Capital Grants	3	4,394	-	274,061	278,455	790,951
Activities for generating funds	4	577,072	-	-	577,072	582,255
Investment income	5	4,245	-	-	4,245	4,401
<i>Incoming resources form charitable activities:</i>						
Funding for the academy's educational activities	6	-	5,235,904	-	5,235,904	4,765,933
Other income from educational activities		139,510	218,252	-	357,762	348,216
Total incoming resources		725,221	5,454,156	274,061	6,453,438	6,491,756
Resources expended						
<i>Charitable activities:</i>						
Academy's educational operations	8	784,715	5,372,165	597,913	6,754,793	6,628,396
Total resources expended		784,715	5,372,165	597,913	6,754,793	6,628,396
Net (outgoing) / incoming resources before transfers						
		(59,494)	81,991	(323,852)	(301,355)	(136,640)
Gross transfers between funds	15	-	(56,103)	56,103	-	-
Net (expenditure) / income for the year		(59,494)	25,888	(267,749)	(301,355)	(136,640)
Other recognised gains and losses						
Actuarial gains (losses) on defined benefit pension schemes		-	(957,000)	-	(957,000)	6,000
Net movement in funds		(59,494)	(931,112)	(267,749)	(1,258,355)	(130,640)
Reconciliation of funds						
Total funds brought forward at 1 September 2015		37,108	(1,020,725)	15,322,667	14,339,050	14,469,690
Total funds carried forward at 31 August 2016		(22,386)	(1,951,837)	15,054,918	13,080,695	14,339,050

All of the Academy's activities derive from continuing operations during the current financial year. The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared. All the above relate to continuing activities. The accounting policies and notes on pages 23 to 43 form part of these financial statements.

Sawston Village College, Company number 07627138
Company Limited by Guarantee

Balance Sheet

As at 31 August 2016

	Notes	2016 £	2015 £
Fixed assets			
Tangible assets	12	14,820,429	14,998,183
Current assets			
Debtors	13	224,860	223,336
Cash at bank and in hand		811,923	834,634
		<u>1,036,783</u>	<u>1,057,970</u>
Creditors: amounts falling due within one year	14	<u>(386,517)</u>	<u>(421,103)</u>
Net current assets		650,266	636,867
Total assets less current liabilities		<u>15,470,695</u>	<u>15,635,050</u>
Pensions scheme liability	23	(2,390,000)	(1,296,000)
Net assets including pension liability		<u>13,080,695</u>	<u>14,339,050</u>
Funds of the academy:			
Restricted income funds:			
Fixed asset fund(s)	15	15,054,918	15,322,667
General fund(s)	15	438,163	275,275
Pension Reserve	24	<u>(2,390,000)</u>	<u>(1,296,000)</u>
Total restricted income funds		13,103,081	14,301,942
Unrestricted income funds			
General fund(s)	15	<u>(22,386)</u>	<u>37,108</u>
Total unrestricted funds		(22,386)	37,108
Total funds		<u>13,080,695</u>	<u>14,339,050</u>

These financial statements were approved by the governors and authorised for issue on 6 December 2016, and are signed on their behalf by:

.....
 Mr D R Lamkin,
 Chair of Governors

.....
 Mr J M Culpin,
 Accounting Officer

The accounting policies and notes on pages 23 to 43 form part of these financial statements

Sawston Village College, Company number 07627138
Company Limited by Guarantee

Cash Flow Statement

Year ended 31 August 2016

	Notes	2016 £	2015 £
Net cash inflow from operating activities	18	119,142	(110,520)
Returns on investments and servicing of finance	19	4,245	4,401
Net Capital expenditure	20	(146,098)	152,661
(Decrease) Increase in cash in the year	21	(22,711)	46,542
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2015		834,634	788,092
Net funds at 31 August 2016	21	811,923	834,634

The accounting policies and notes on pages 23 to 43 form part of these financial statements

Sawston Village College, Company number 07627138 Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2016

1. Statement of Accounting Policies

A summary of the principal accounting policies adopted (which have been applied consistently except where noted), judgements and key sources of estimation uncertainty, is set out below.

Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Sawston Village College constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of Sawston Village College prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Sawston Village College for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 26.

Going concern

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

As explained in the Trustees Report the assets and liabilities have been transferred at book value on the 1st September 2016.

Incoming resources

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

Grants receivable

Grants are included in the Statement of Financial Activities Incorporation Income and Expenditure Account on a receivable basis. The balance of income received for specific purposes but not expended during the year 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.

Sawston Village College, Company number 07627138 Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2016

General Annual Grant is recognised in full in the Statement of Financial Activities Incorporating Income and Expenditure Account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement 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 are no performance related conditions) where the receipts probable and the amount can be reliably measured.

Other income

Other income, including the hire of facilities, is recognised in the year 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 year in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with academy trust's policies.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probably that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The cost of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

Charitable activities costs incurred on the Academy's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

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 or the Department for Education where the asset acquired or created is held for a specific purpose.

Sawston Village College, Company number 07627138 Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2016

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

Tangible Fixed assets

In general assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. However in the case of some IT Equipment assets costing less than £500 are capitalised in order that a detailed register of all IT Equipment may be maintained. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet.

Assets transferred at inception have been included at the estimated depreciated replacement cost. Depreciation on fixed 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.

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

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

Impairment losses are recognised in the Statement of Financial Activities.

Depreciation

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

Freehold Buildings	over 9 – 49 years, based on remaining useful life
Long Leasehold Building	2%
Motor Vehicle	15%
Furniture & Equipment	15%
Computer Equipment	25%

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the Bank.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Sawston Village College, Company number 07627138 Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2016

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Stocks

The academy does not have centrally held stock and each department only carries minimum stock levels of teaching resources. The academies practice is to request that all teaching resources for the new academic year are delivered and invoiced just prior to the start of the New Year thereby avoiding a build-up of stock. The academy therefore considers that any teaching resources unused at the year-end are considered to be of low value and written off in the year of purchase and not regarded as stock.

Leased Assets

Rentals under operating leases are charged to the Statement of Financial Activities Incorporating Income and Expenditure Account on a straight line basis of payments made over the lease term.

Pension costs

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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 quadrennial valuations using a prospective unit credit method. As stated in note 23 the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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 credit 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 the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the

Sawston Village College, Company number 07627138 Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2016

period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The judgements that have had a significant effect on amounts recognised in the Financial Statements are those concerning the choice of depreciation policies

2. General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2016 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any being available for premises / capital purposes.

The academy trust has not exceeded these limits during the year ended 31 August 2016.

Sawston Village College, Company number 07627138
Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2016

3. Donations and Capital Grants

	Unrestricted funds	Restricted fixed assets fund	Total funds 2016	Total funds 2015
	£	£	£	£
Capital Grants	-	274,061	274,061	774,780
Commission	4,394	-	4,394	-
Donations	-	-	-	16,171
	4,394	274,061	278,455	790,951

2015:Unrestricted Funds £16,171, Restricted Fixed Assets £774,780

4. Incoming resources from activities for generating funds

	Unrestricted funds	Total funds 2016	Total funds 2015
	£	£	£
Music Tuition	66,998	66,998	64,942
Cinema Income	17,626	17,626	28,575
Letting income	31,318	31,318	38,526
Sports centre	456,066	456,066	443,669
Catering	5,064	5,064	6,543
	577,072	577,072	582,255

2015:Unrestricted Funds £582,255

5. Investment income

	Unrestricted funds	Total funds 2016	Total funds 2015
	£	£	£
Bank interest receivable	4,245	4,245	4,401

2015:Unrestricted Funds £4,401

Sawston Village College, Company number 07627138
Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2016

6. Funding for academy's educational operations

	Restricted general funds £	Restricted fixed assets fund £	Total funds 2016 £	Total funds 2015 £
DfE / EFA revenue grants				
General Annual Grant (GAG)	4,960,885	-	4,960,885	4,422,601
Other DfE / EFA grants	162,702	-	162,702	166,910
	5,123,587	-	5,123,587	4,589,511
Other Government grants				
Local authority grant	112,317	-	112,317	176,422
	5,235,904	-	5,235,904	4,765,933

2015: Restricted General Funds £4,765,933

7. Resources expended

	Staff costs £	Premises £	Other costs £	Total funds 2016 £	Total funds 2015 £
<i>Academy's educational operations</i>					
Direct costs	3,109,902	-	256,085	3,365,987	3,358,823
Allocated support costs	1,560,906	565,551	1,262,349	3,388,806	3,224,573
	4,670,808	565,551	1,518,434	6,754,793	6,583,396

2015: Staff Costs £4,532,975, Premises £556,319, Other Costs £1,494,102

Incoming / outgoing resources for the year included:

	2016 £	2015 £
Staff pension contribution	604,882	529,958
Operating leases	27,816	22,496
Fees payable to auditors – audit	10,240	8,240
Fees payable to auditors – Other services	3,413	2,700
Depreciation	597,913	543,134
Loss on disposal of fixed assets	-	322

Sawston Village College, Company number 07627138
Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2016

8. Charitable activities - academy's educational operations

	Unrestricted funds £	Restricted general funds £	Restricted fixed assets fund £	Total funds 2016 £	Total funds 2015 £
<i>Direct costs</i>					
Teaching and educational support staff	81,456	3,028,446	-	3,109,902	3,073,060
Educational supplies	-	171,595	-	171,595	198,476
Examination fees	-	65,214	-	65,214	75,125
Staff development	-	19,276	-	19,276	12,162
	81,456	3,284,531	-	3,365,987	3,358,823
<i>Allocated support costs</i>					
Finance and administration staff	589,970	970,936	-	1,560,906	1,504,915
Depreciation	-	-	597,913	597,913	543,134
Profit on sale	-	-	-	-	322
Pupil recruitment and support	-	41,362	-	41,362	58,723
Maintenance of premises and equipment	49,326	143,807	-	193,133	171,360
Cleaning	-	129,309	-	129,309	121,457
Rent, rates and utilities	-	234,464	-	234,464	210,248
Insurance	-	8,645	-	8,645	53,254
Security and transport	-	30,737	-	30,737	18,673
Catering	5,064	50,359	-	55,423	44,108
Bank interest & LGPS charges	58,899	-	-	58,899	5,177
Information & communication technology	-	60,234	-	60,234	89,725
Other support costs	-	417,781	-	417,781	448,477
	703,259	2,087,634	597,913	3,388,806	3,269,573
	784,715	5,372,165	597,913	6,754,793	6,628,396

2015: Unrestricted Funds £725,804, Restricted General Funds £5,359,136, Restricted Fixed Assets £543,456

Sawston Village College, Company number 07627138
Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2016

9. Staff

a. Staff costs

	2016	2015
	£	£
Wages and salaries	3,543,661	3,443,546
Social security costs	277,009	243,114
Other pension costs	682,534	735,959
	<u>4,503,204</u>	<u>4,422,619</u>
Supply staff costs	167,604	155,356
Per Note 8	<u>4,670,808</u>	<u>4,577,975</u>

b. Staff numbers

The average number of persons employed by the academy during the year was as follows:

Charitable Activities	2016	2015
Teachers	62	59
Administration and support	125	124
Management	5	5
	<u>192</u>	<u>188</u>

c. Higher paid staff

The number of employees whose remuneration fell within the following bands were:

	2016	2015
	No.	No.
£60,000 - £70,000	2	1
£80,000 - £90,000	1	1

Both of the above employees participated in the Teachers' Pension Scheme.

d. Key management personnel

The key management personnel of the academy trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contribution) received by key management personnel for their services to the academy trust was £431,716 (2015: £418,662).

Sawston Village College, Company number 07627138
Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2016

10. Related Party Transactions - Governors' remuneration and expenses

Principal and staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in their services as governors. Other governors did not receive any payments from the academy in respect of their role as governors.

Mr J Culpin (Principal and Governor):

Remuneration £85,000 - £90,000 (2015: £80,000 - £85,000)

Employer's Pension Contribution £10,000 - £15,000 (2015: £10,000 - £15,000)

Mrs H Meikle (Staff Governor): appointed 2 December 2015

Remuneration £5,000 - £10,000 (2015: Nil)

Employer's Pension Contribution £0 - £5,000 (2015: £Nil)

Miss S Gelder (Staff Governor): resigned 31 August 2016

Remuneration £40,000 - £45,000 (2015: £40,000 - £45,000)

Employer's Pension Contribution £5,000 - £10,000 (2015: £5,000 - £10,000)

Mrs T Page (Staff Governor): appointed 2 December 2015

Remuneration £20,000 - £25,000 (2015: £Nil)

Employer's Pension Contribution £0 - £5,000 (2015: £Nil)

Mrs J Bennett (Staff Governor): resigned 31 August 2015

Remuneration £Nil (2015: £15,000 - £20,000)

Employer's Pension Contribution £Nil (2015: £0 - £5,000)

Mrs V Benedikz (Staff Governor): resigned 31 August 2015

Remuneration £Nil (2015: £30,000 - £35,000)

Employer's Pension Contribution £Nil (2015: £0 - £5,000)

During the year ended 31 August 2016 no travel and subsistence expenses or other expenses were paid to the other governors.

11. 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 £2,000,000 on any one claim, the cost of which was included in the academies Public Liability policy for the year ended 31 August 2016.

Sawston Village College, Company number 07627138
Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2016

12. Tangible fixed assets

	Freehold Land and Buildings £	Leasehold Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Motor Vehicles £	2016 Total £
Cost / valuation						
As at 1 Sept 2015	25,776,352	191,150	307,651	728,530	21,500	27,025,183
Additions	356,706	-	-	63,453	-	420,159
Disposals and w/o	-	-	-	(216,381)	-	(216,381)
As at 31 Aug 2016	26,133,058	191,150	307,651	575,602	21,500	27,228,961
Depreciation						
As at 1 Sept 2015	11,132,267	15,300	190,081	667,853	21,499	12,027,000
Charge for the year	493,195	3,820	42,112	58,786	-	597,913
Disposals and w/o	-	-	-	(216,381)	-	(216,381)
As at 31 Aug 2016	11,625,462	19,120	232,193	510,258	21,499	12,408,532
Net book values						
As at 31 Aug 2016	14,507,596	172,030	75,458	65,344	1	14,820,429
As at 31 Aug 2015	14,644,085	175,850	117,570	60,677	1	14,998,183

Included in land and buildings is freehold land at a valuation of £3,450,000 (2015 £3,450,000), which is not depreciated.

The freehold property was valued on conversion in 2011 by DVS Property Specialists, a RICS Registered Valuer using a Depreciation Replacement Cost Method.

Sawston Village College, Company number 07627138
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Notes to the Financial Statements (continued)

Year ended 31 August 2016

13. Debtors

	2016	2015
	£	£
Trade debtors	19,130	4,678
VAT recoverable	51,094	90,105
Other debtors	21,576	21,166
Prepayments and accrued income	133,060	107,387
	<u>224,860</u>	<u>223,336</u>

14. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	42,655	143,429
Taxation and social security	84,738	69,715
Pension Liability	74,843	65,919
Other creditors	46,802	24,597
Accruals Liability	82,375	98,891
Deferred income	55,104	18,552
	<u>386,517</u>	<u>421,103</u>

Deferred income

	2016	2015
	£	£
Deferred Income at 1 September 2015	18,552	10,304
Resources deferred in the year	42,417	9,473
Amounts released from previous years	(5,865)	(1,225)
	<u>55,104</u>	<u>18,552</u>

The deferred income relates to monies received in advance of school trips and other income types, such as cinema and arts projects to be expended in the following year.

Sawston Village College, Company number 07627138
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Notes to the Financial Statements (continued)

Year ended 31 August 2016

15. Funds

	Balance at 1 Sept 2015	Incoming resources £	Resources expended £	Gains and losses £	Transfers (Fixed Asset additions) £	Transfer £	Balance at 31 Aug 2016 £
Restricted general funds							
General annual grant (GAG) – Note 6	82,274	4,960,885	(4,619,933)	-	-	(56,103)	367,123
Other DfE/EFA grants - Note 6	-	162,702	(162,702)	-	-	-	-
Local Authority grants	-	112,317	(112,317)	-	-	-	-
Other restricted income	193,001	218,252	(340,213)	-	-	-	71,040
Pension Reserve	(1,296,000)	-	(137,000)	(957,000)	-	-	(2,390,000)
	(1,020,725)	5,454,156	(5,372,165)	(957,000)	-	(56,103)	(1,951,837)
Restricted fixed asset funds							
Net Book Value of fixed assets	14,998,183	-	(597,913)	-	420,159	-	14,820,429
Proceeds from sale of fixed assets	-	-	-	-	-	-	-
Capital Grant balance	324,484	274,061	-	-	(420,159)	56,103	234,489
	15,322,667	274,061	(597,913)	-	-	56,103	15,054,918
Total Unrestricted funds							
General unrestricted fund	37,108	725,221	(784,715)	-	-	-	(22,386)
	14,339,050	6,453,438	(6,754,793)	(957,000)	-	-	13,080,695

The transfer between the restricted General Annual Grant fund and restricted fixed asset funds represents amounts capitalised during the year. The specific purposes for which the funds are to applied are as follows:

Restricted general funds and other restricted funds

These grants relate to the academy's development and operational activities

Restricted fixed assets fund

These grants relate to capital funding to carry outworks of a capital nature

Unrestricted reserve

These funds relate to unrestricted income to be used to support the academy's objectives and educational activities.

Sawston Village College, Company number 07627138
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Notes to the Financial Statements (continued)

Year ended 31 August 2016

16. Analysis of net assets between funds

Fund balances at 31 August 2016 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total Funds £
Tangible fixed assets	-	-	14,820,429	14,820,429
Current assets	(22,386)	1,059,169	-	1,036,783
Current Liabilities	-	(386,517)	-	(386,517)
Pension scheme liability	-	(2,390,000)	-	(2,390,000)
	(22,386)	(1,717,348)	14,820,429	13,080,695

17. Financial Commitments

Commitments under operating leases

At 31 August 2016 the academy had annual commitments under non-cancellable operating leases as set out below:

	2016 £	2015 £
Amount due within one year	41,051	24,729
Amount due between one and five years	132,020	99,836
Amount due after five years	47,602	72,561
	220,673	197,126

18. Reconciliation of net incoming resources before transfers to net cash inflow from operating Activities

	2016 £	2015 £
Net (expenditure) / income for the year	(301,355)	(91,640)
Depreciation (note 12)	597,913	543,134
Profit on disposal	-	535
Capital grants from DfE and other capital income	(274,061)	(774,780)
Interest receivable (note 19)	(4,245)	(4,401)
Defined benefit scheme pension cost less contributions payable (note 23)	137,000	103,000
Defined benefit scheme pension finance income / charges (note 23)	-	-
(Increase)/ Decrease in debtors	(1,524)	90,863
(Decrease)/ Increase in creditors	(34,586)	22,769
Net cash inflow from operating activities	119,142	(110,520)

Sawston Village College, Company number 07627138
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Notes to the Financial Statements (continued)

Year ended 31 August 2016

19. Returns on investments and servicing of finance

	2016	2015
	£	£
Interest received	4,245	4,401
Net cash inflow from returns on investment and servicing of finance	4,245	4,401

20. Capital expenditure and financial investment

	2016	2015
	£	£
Purchase of tangible fixed assets	(420,159)	(622,119)
Capital grants from DfE / EFA	274,061	774,780
Net cash outflow from capital expenditure and financial investment	(146,098)	152,661

21. Analysis of changes in net funds

	1 Sept 2015	Cash flow	31 Aug 2016
	£	£	£
Cash in hand and at bank	834,634	(22,711)	811,923

22. 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.

23. Pensions and similar obligations

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff. Both are defined-benefit schemes.

The LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

Contributions amounting to £74,161 (£65,287) were payable to the schemes at 31 August 2016 and are included in creditors.

Sawston Village College, Company number 07627138 Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 August 2016

23. Pensions and similar obligations (continued)

Teachers' Pension Scheme

Introduction

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

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 last 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 of Education on 9 June 2014. The key elements of the valuation and subsequent consultations are:

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

From 1 April 2015 to 31 March 2016, the employee contribution rate will range between 7.2% and 11.6%, depending on a member's Full Time Equivalent salary. Further changes to the employee contribution rate have been applied in 2016-17.

The total contribution made for the year ended 31 August 2016 was £801,600, of which employer's contributions totalled £604,800 and employees' contributions totalled £196,800.

Sawston Village College, Company number 07627138
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Notes to the Financial Statements (continued)

Year ended 31 August 2016

23. Pensions and similar obligations (continued)

A copy of the valuation report and surrounding documentation is on the [Teachers' Pensions website](#)

Under the definition set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for and contributed to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £336,000 (2015: £296,000), of which employer's contributions totalled £266,000 (2015: £231,200) and employees' contributions totalled £70,000.(2015: £64,800) The employee's contributions are dependent on the level of their full time equivalent salary ranging from 5.5% to 12.5%. and the agreed employer's contribution to 31 March 2017 is 23%.

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.

Principal actuarial assumptions

	At 31 Aug 2016 %	At 31 Aug 2015 %
Discount rate	2.1	3.8
Rate of increase in salaries	4.1	4.6
Rate of increase in pensions payment	2.1	2.7
Inflation assumptions	2.1	2.6
Commutation of pension to lump sums	63%	63%

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

	At 31 Aug 2016 %	At 31 Aug 2015 %
Retiring today		
Males	22.5	22.5
Females	24.5	24.5
Retiring in 20 years		
Males	24.4	24.4
Females	26.9	26.9

Sawston Village College, Company number 07627138
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Notes to the Financial Statements (continued)

Year ended 31 August 2016

23. Pensions and similar obligations (continued)

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

	Fair value at 31 Aug 2016 £	Fair value at 31 Aug 2015 £
Equities	2,596,500	1,935,000
Bonds	519,300	392,000
Property	242,340	209,000
Cash	103,860	78,000
Total market value of assets	3,462,000	2,614,000
Present value of scheme liabilities – funded	(5,852,000)	(3,910,000)
(Deficit) in the scheme	(2,390,000)	(1,296,000)

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

Amounts recognised in the Statement of Financial Activities

	2016	2015
Current service cost (net of employee contributions)	344,000	334,000
Total operating charge	344,000	334,000
Analysis of pension finance (costs)		
Expected return on pension scheme assets	105,000	90,000
Interest on pension liabilities	(156,000)	(135,000)
Pension finance (costs)	(51,000)	(45,000)

Sawston Village College, Company number 07627138
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Notes to the Financial Statements (continued)

Year ended 31 August 2016

23. Pensions and similar obligations (continued)

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

At 1 September 2015	3,910,000	3,445,000
Current service cost	344,000	334,000
Interest on pension liabilities	156,000	135,000
Employee contributions	70,000	65,000
Actuarial losses	-	(62,000)
Re-measurement - Changes in Financial Assumptions	1,400,000	-
Re-measurement - Other Experience	(7,000)	-
Estimated Benefits Paid	(21,000)	(7,000)
At 31 August 2016	5,852,000	3,910,000

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

At 1 September 2015	2,614,000	2,291,000
Expected return on pension scheme assets	105,000	90,000
Actuarial gains (losses)	436,000	(56,000)
Employee contributions	70,000	65,000
Employer contributions	258,000	231,000
Estimated Benefits Paid	(21,000)	(7,000)
At 31 August 2016	3,462,000	2,614,000

Reconciliation of opening and closing deficit:

Deficit at 1 September 2015	(1,296,000)	(1,154,000)
Current service cost (net of employee contributions)	(344,000)	(334,000)
Employer contributions	258,000	231,000
Other finance costs	(51,000)	-
Actuarial gains (losses)	436,000	(39,000)
Re-measurement - Assumptions	(1,393,000)	-
Deficit at 31 August 2016	2,390,000	1,296,000

The estimated value of employer contribution for the year ended 31 August 2017 is £265,000

Sawston Village College, Company number 07627138
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Notes to the Financial Statements (continued)

Year ended 31 August 2016

23. Pensions and similar obligations (continued)

Sensitivity Analysis

	At 31 August 2016	At 31 August 2015
Adjustment to discount rate	+ 0.5%	+ 0.5%
Present value of total obligation	757,000	499,000
Adjustment to mortality age rate assumption	+ 1 year	+ 1 year
Present value of total obligation	176,000	117,000
Adjustment to salary increase rate	+ 0.5%	+ 0.5%
Present value of total obligation	251,000	221,000
Adjustment to pension increase rate	+ 0.5%	+ 0.5%
Present value of total obligation	482,000	264,000

24. Ultimate controlling party

There is no ultimate controlling party.

25. Related party transactions

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

As at 1 September 2015 the Academy had loaned to Sawston Village Uniforms, a company in which Mr Ashurst is, on behalf of the Academy, the named Director, £410. The balance owing at the year-end was £21,576 (2015 £22,166) shown within other debtors.

No other related party transactions took place in the year of account, other than certain governors' remuneration already disclosed in note 10.

26. First time adoption of FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the Trustees have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

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Notes to the Financial Statements (continued)

Year ended 31 August 2016

26. First time adoption of FRS 102 (continued)

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

RECONCILIATION OF TOTAL FUNDS	Notes	1 September 2014 £	31 August 2015 £
Total funds under previous UK GAAP		<u>14,469,690</u>	<u>14,339,050</u>
Total funds reported under FRS 102		<u><u>14,469,690</u></u>	<u><u>14,339,050</u></u>

Reconciliation of net (expenditure)	Notes	31 August 2015 £
Net (expenditure) previously reported under UK GAAP		(91,640)
Defined benefit pension scheme finance cost	A	<u>(45,000)</u>
Net expenditure reported under FRS 102		<u><u>(136,640)</u></u>

Explanation of changes to previously reported funds and net income/expenditure:

Note A - Change in recognition of LGPS interest cost

Under previous UK GAAP the Academy Trust recognised an expected return on defined benefit plan assets in expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to reduce the credit to expense by £45,000 and increase the debit in other recognised gains and losses in the Statement of Financial Activities by an equivalent amount.