

Registered number: 08049033

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2014

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

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THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE PERIOD ENDED 31 AUGUST 2014

Members

Mrs Sarah Addison
Mrs Clare Smith
Ms Louise Allen
Mrs Kirsten McLaren
Mr Alex Green
Mr Steve Lilley, Chair

Trustees

Mr Steve Lilley, Chair^{1,2,4}
Mr Matthew Smith-Lilley³
Mrs Kathryn McGovern, Headteacher
Mrs Emma Cheetham, Staff Trustee³
Mrs Jemma Naylor-Garford (resigned 13 May 2014)²
Ms Karen Chetwynd^{2,4}
Dr Lisa Morrison-Couthard^{2,3}
Ms Caroline Kemp³
Mr Ian Hendrick (resigned 13 May 2014)²
Mrs Rachel Hall^{2,4}
Mrs Rosemary Blowfield, Staff Trustee⁴
Mrs Clare Smith, Staff Trustee (appointed 15 April 2013)^{1,4}
Mr Vijay Hindocha (appointed 1 November 2013)²
Mr Andrew Albon (appointed 1 June 2014)^{2,3,4}
Mr Andrew Piper (resigned 1 March 2014)
Mr Carl Sutherley³
Mr Benjamin Ward (appointed 1 June 2014)
Mrs Laura Cook (appointed 1 March 2014)³
Mrs Sarah Addison^{1,2,3,4}

¹ Member

² Finance

³ Curriculum

⁴ Premises

Company registered number

08049033

Registered office

Meadow Way
Wigston Magna
Wigston
Leicestershire
LE18 3QZ

Principal operating office

The Meadow Community Primary School Academy Trust
Meadow Way
Wigston Magna
Leicester
LE18 3QZ

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE PERIOD ENDED 31 AUGUST 2014

Administrative details (continued)

Company secretary

Mrs Kirsten McLaren

Senior management team

Mrs Kathryn McGovern, Head Teacher
Mrs Clare Smith, Deputy Head Teacher
Mrs Louise Allen, Assistant Head Teacher
Mrs Kirsten McLaren, School Business Manager

Independent auditor

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
11 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

Bankers

Lloyds Bank PLC
High Street
Leicester
LE1 9FS

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2014

The Trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the period 1 September 2013 to 31 August 2014. 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 10 years, serving a catchment area in Wigston, Leicestershire. It has a pupil capacity of 360 and had a roll of 339 in the school census on 15th May 2014.

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 Trustees of The Meadow Community Primary School Academy Trust are also the directors and governors of the charitable company for the purposes of company law. The charitable company is known as The Meadow Community Primary School.

Details of the Trustees 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.

TRUSTEES' INDEMNITIES

The Companies Act 2006 s236 requires disclosure concerning qualifying third party indemnity provisions. Governors benefit from indemnity insurance to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £1,172.

PRINCIPAL ACTIVITIES

The Academy has an outstanding reputation as a provider of quality education, sitting at the heart of the community with a firm commitment to ensuring that all of our students feel secure and challenged during their time in school. Our aim is to make everyone feel engaged and excited by learning and to experience the pleasure of achieving personal goals as well as working together as active and valued members of our school.

We are committed to creating and maintaining a working environment where students are keen to learn and respond positively to differing needs and priorities with the right balance of support and challenge. In so doing we believe that all our students have every opportunity to leave our school as confident, articulate and socially adept members of society. We aim to work effectively and proactively with home to provide the quality of education that our students need and deserve.

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

Recruitment of Governors is outlined in the memorandum and articles of association. Members may appoint up to 1 Governor. Governors may Co-opt up to 3 Governors. The appointment of staff Governors is via a process of a staff ballot. Appointment of Parent Governors is made via parent ballot.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Governor induction training is available alongside a menu of extensive specialised training offered through the LA Governor Development Service. Account is taken of Governors existing experience. A Governor Handbook is produced on an annual basis and issued to all Governors.

ORGANISATIONAL STRUCTURE

The organisation structure comprises two levels: the Governors and the Headteacher / Senior Managers. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for setting general policy, adopting an annual plan and approving the annual budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and staff appointments. Specific responsibilities of the committees are outlined in the relevant Terms of Reference.

The senior managers are the Headteacher, Deputy Headteacher and Assistant Headteacher. These managers control the Academy at an executive level, implementing the policies laid down by the Governors and reporting back to them. As a group the Senior Managers are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the Senior Management Team always contain a Governor. Some spending control is devolved to budget holders, with limits above which a Senior Manager must countersign.

OBJECTIVES AND ACTIVITIES

OBJECTIVES AND AIMS

The principal object of the charitable company is the operation of The Meadow Community Primary School to provide education for pupils of different abilities between the ages of 4 and 10 years.

The main objectives of the Academy are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements; and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

OBJECTIVES, STRATEGIES AND ACTIVITIES

The Academy's main strategy is based around the five outcomes of "Every Child Matters":

- We aim for every child to achieve economic well-being, by providing:
 - o An ethos that promotes high aspirations for families and children at the Meadow, which values the importance of life long education;
 - o Choices for children and families, wherever possible and the opportunity to be always heard;
 - o Opportunities in all curricular areas for children to apply their skills to solve problems;
 - o Opportunities for children to take responsibility both in their learning and wider school life; and
 - o Excellent teaching and learning to ensure each child leaves the school with the highest possible achievement, according to their potential.

- We aim for every child to enjoy school and achieve to their full potential, by providing:
 - o Inspirational teaching and learning experiences for every child which enriches and maximises the academic (all National Curriculum subjects), creative, spiritual, aesthetic, physical, personal and moral development of all children;
 - o Thorough, ongoing assessment ('Assessment for Learning') throughout the school;
 - o All pupils with a broad and balanced curriculum which places emphasis on the development of excellent basic skills, and delivers the requirements of the National Curriculum and agreed RE syllabus in creative and inspiring ways;
 - o Exciting learning experiences in and out of the classroom, in curriculum and out of school hours;
 - o A positive, stimulating and nurturing environment for learning, based on praise and reward, which reinforces every child's ability to work to his/her best, both independently and collaboratively;
 - o Effective and efficient management of the budget, resources and provision of staff development in order to secure the best value for children's learning and achievement;
 - o An ethos of inclusion throughout the school, which includes promoting a positive attitude to disability, special needs, different cultures and religions;
 - o High quality teaching and learning experiences in ICT both in the IT suite and in the classroom with the best ICT resources that the school can afford;
 - o A high profile focus on personal, social and emotional aspects of learning; and
 - o Opportunities for every child to understand and work in their preferred learning style.

- We aim for every child to make a positive contribution to the school and wider community, by providing:
 - o A high profile commitment to 'Community Cohesion', to develop children's understanding of differences in our diverse society and to develop their appreciation of differences;
 - o A working partnership with parents and developing collaboration within the whole school community;
 - o Opportunities to develop an understanding of belonging to a global community;
 - o A welcoming atmosphere that encourages children, families and the community to bring into The Meadow their diverse range of skills and experiences which promotes learning in our school;
 - o School and child initiated experiences which contribute to the wider community; and
 - o Policies, guidance and role models which promote this aim.

- We aim for every child to have a healthy lifestyle, by providing:
 - o A curriculum that offers children an understanding of what is a healthy lifestyle;
 - o A healthy learning environment;
 - o Regular opportunities for children to exercise;
 - o Encouragement to choose healthy lifestyle options, including healthy school meals and promotion of the healthy guidelines for packed lunches; and
 - o Policies, guidance and role models which promote this aim.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

- We aim for every child to be safe, by providing:
 - o A caring and nurturing environment which ensures every child is heard;
 - o A robust system of child protection procedures;
 - o A zero tolerance of bullying and any form of harassment;
 - o Risk assessment procedures that protect all children;
 - o A safe and secure environment, in and out of school; and
 - o Policies, guidance and role models which promote this aim

As a result of this we hope that:

- All children will be enquiring, motivated and happy learners, with a desire and confidence to learn, achieve and make decisions, and yet not to be afraid to fail;
- We will ensure the highest academic and social progress and achievement for each individual child;
- All of our school community to have mutual respect, kindness and consideration for others and recognise and celebrate the variety of cultures, religions, language experiences, needs, views and personal attributes within our school and wider community;
- All children will develop high self-esteem and understand the importance of choosing a healthy lifestyle; and
- All children are safe, and feel safe from harm, neglect and bullying.

PUBLIC BENEFIT

'The Aims and Objectives of The Meadow Community Primary School are outlined in the section above but in ensuring the school focuses upon these aims, the following has been taken into consideration by the Governing Body:

- The beneficiaries must be appropriate to the aims - where benefit is to a section of the public, the opportunity to benefit must not be unreasonably restricted;
- People in poverty must not be excluded from the opportunity to benefit; and
- Any private benefits must be incidental.

These principles underline the work undertaken at The Meadow and, through monitoring and evaluation of procedures and policies, the Governing Body ensure that the Academy has complied with their duties. The Academy's catchment area encompasses a 'mixed' catchment area; children from private and council housing are within our catchment area. First-time admissions to the school remain the decision of Leicestershire Local Authority and are based upon the Local Authority Admissions Policy.

The OfSTED rating as an 'Outstanding' school remains in place and the continual improvements in academic progress ensure our pupils benefit from the education we provide. The Pre-school achieved an OfSTED rating of 'Good' at its first inspection during Autumn term 2013, and continual improvements are being made to build on this.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

ACHIEVEMENTS AND PERFORMANCE

Foundation Stage

Our Foundation Stage children made very good progress throughout the year and the overall Foundation Point score average was above the national average.

Key Stage 1

All year 1 pupils had a national phonics assessment in June 2014. Our result was a 81% pass rate compared to the national average of 74%

Year 2 children completed their KS1 SATs tests, and initial data indicates our results were well above the local and national average.

Maths	2011/12	2012/13	2013/14
Level 2 and above	94	98	93
Level 2b and above	54	53	83
Level 3	27	34	28
Writing			
Level 2 and above	85	93	83
Level 2b and above	48	53	71
Level 3	15	24	18
Reading			
Level 2 and above	87	100	86
Level 2b and above	96	44	83
Level 3	38	47	41

Key Stage 2

3 points progress is expected average cohort progression, and anything higher than approximately 3.75 points is considered outstanding:

Year 3	Average Points Progress	Average Points Attainment
Maths	2.62	19.17
Reading	1.62	17.72
Writing	3.0	20.92
Year 4		
Maths	3.12	22.8
Reading	0.75	20.16
Writing	3.08	23.84
Year 5		
Maths	3.32	25.68
Reading	1.99	24.4
Writing	3.25	27.12

GOING CONCERN

After making appropriate enquiries, the Board of Trustees 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.

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

KEY FINANCIAL PERFORMANCE INDICATORS

The Finance Committee at The Meadow review financial performance indicators through budget monitoring exercises at every meeting, where the current financial position is scrutinised. This in turn is presented to Full Governors three times a year plus a commentary.

INVESTMENT POLICY

At present the Academy does not hold significant funding to warrant additional investment. The end of year balance is held within our main school bank account and the balance is planned for development of our school buildings.

An investments policy has been agreed and is laid out within our Finance Manual, which is reviewed annually.

FINANCIAL REVIEW

The vast majority of the Academy's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2014 and the associated expenditure is shown as restricted funds in the Statement of Financial Activities.

In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), any grants received and expended in capital projects are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The Academy Trust practices through its Board, namely the Governing Body and the constituted sub-committees, risk management principles. Any major risks highlighted at any sub-committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Governing Body accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by senior executive officers.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Leicestershire County Council Internal Audit Service as internal auditor.

The internal auditor's role includes giving advice on financial matters concerning risk and internal control and performing a range of checks on the Academy Trust's financial systems. On an annual basis, following the annual site visit to the Academy, the internal auditor reports to the Board of Trustees via the Finance Committee, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. The Board of Trustees is responsible for agreeing an action plan and monitoring that the action plan is successfully implemented.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks facing the Academy are included in the Risk Register and Management Plan and include:

- Strategic and Reputational Risks
- Performance Risks
- Financial Risks
- Risks associated with Personnel

Control measures are in place to manage the identified risks, the key risks being that of reduced pupil numbers, that affect the level of funding and future Government cuts. Active promotion of the Academy is maintained and budgets monitored carefully over a 3 year period to manage any reduction in funding.

RESERVES POLICY

The Academy's "free reserves" are its funds after excluding restricted funds. "Free reserves" are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically "free reserves" represent income to the Academy which is to be spent at the trustees' discretion in furtherance of any of the Academy's objects but which is not yet spent, committed or designated.

The Governors review the reserve levels of the Academy in Finance Committee meetings. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

At 31 August 2014 the total funds comprised:

Unrestricted:		£127,000
Restricted:	Fixed asset funds	£2,297,000
	Restricted	£19,000
	Pension Reserve	(£878,000)
Total		<u>£1,565,000</u>

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities. This is not an immediate liability and 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. Employer contributions have been set at a level which responds to the deficit level and will be reviewed every 3 years to ensure that this continues to be the case. 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 restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use for the general purposes of the Academy, at the discretion of the Governors. The aim of the Governors is to ensure that this reserve is sufficient to meet future working capital requirements.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

PLANS FOR FUTURE PERIODS

The Academy will continue striving to improve the levels of performance of its students at all levels.

DISCLOSURE OF INFORMATION TO AUDITOR

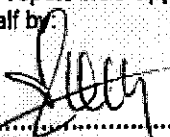
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

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

AUDITOR

The auditor, MHA MacIntyre Hudson, has indicated its willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditor at a meeting of the Trustees.

This report was approved by order of the Board of Trustees on 1 December 2014 and signed on the board's behalf by:


.....
Steve Ronald Lilley
Chair of Trustees

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As trustees we acknowledge that we have overall responsibility for ensuring that The Meadow Community Primary School Academy Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to managed 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 Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Meadow Community Primary School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

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

Trustee	Meetings attended	Out of a possible
Mrs Sarah Addison	4	4
Mrs Clare Smith	4	4
Mr Steve Lilley, Chair	4	4
Mr Matthew Smith-Lilley	2	4
Mrs Kathryn McGovern, Headteacher	3	4
Mrs Emma Cheetham, Staff Trustee	3	4
Mrs Jemma Naylor-Garford	1	2
Ms Karen Chetwynd	3	4
Dr Lisa Morrison-Couthard	4	4
Ms Caroline Kemp	3	4
Mr Ian Hendrick	0	2
Mrs Rachel Hall	4	4
Mrs Rosemary Blowfield, Staff Trustee	4	4
Mr Vijay Hindocha	3	3
Mr Andrew Albon	1	1
Mr Andrew Piper	1	2
Mr Carl Sutherley	2	4
Mr Benjamin Ward	1	1
Mrs Laura Cook	2	2

It is several years since the Governing Body last completed a skills audit. It has therefore been decided that a new audit shall be carried out during 2014-15, to identify any skills gaps and focus future governor training.

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

The Finance and Staffing Committee is a sub-committee of the main board of trustees. Its purpose is defined in the terms of reference.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Steve Lilley	6	6
Mrs Sarah Addison	3	6
Ms Karen Chetwynd	2	6
Mrs Rachel Hall	5	6
Mr Ian Hendrick	0	3
Mr Vijay Hindocha	5	5
Mrs Kathryn McGovern	6	6
Mrs Louise Morrison-Coulthard	2	6
Mrs Jemma Naylor-Garford	1	4

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 on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Meadow Community Primary School Academy Trust for the period 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Governors have assessed the major risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees 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 period 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

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 Board of Trustees;
- 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.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Leicestershire County Council (LCC) as internal auditor.

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

The role of internal audit includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On an annual basis an internal auditor reports to the Board of Trustees, through the finance committee on the operation of the systems of control and on the discharge of the board of Trustees' 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 internal audit;
- the work of the external auditor; and
- the work of the senior managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- the financial management and governance self-assessment process;

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control, minor weaknesses have been addressed, and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 1 December 2014 and signed on its behalf, by:


.....
Steve Ronald Lilley
Chair of Trustees


.....
Kathryn McGovern
Accounting Officer

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Meadow Community Primary School Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy 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 board of trustees 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 Trustees and EFA.


Kathryn McGovern
Accounting Officer

Date: 1 December 2014

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2014

The trustees (who act as governors of The Meadow Community Primary School Academy Trust Limited and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 1 December 2014 and signed on its behalf by:



.....
Mr Steve Lilley
Chair of Trustees

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF THE MEADOW COMMUNITY
PRIMARY SCHOOL ACADEMY TRUST**

We have audited the financial statements of The Meadow Community Primary School Academy Trust for the period ended 31 August 2014 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

This report is made solely to the Trustees 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 Trustees 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 Trustees for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

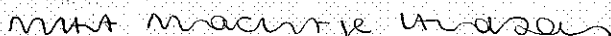
THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF THE MEADOW COMMUNITY
PRIMARY SCHOOL ACADEMY TRUST**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.



Robert Nelson BA FCA DChA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

11 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

Date: 19 / 12 / 14

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 14 October 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Meadow Community Primary School Academy Trust during the period 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY
TRUST'S AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of The Meadow Community Primary School Academy Trust's funding agreement with the Secretary of State for Education dated 31 May 2012, and the Academies Financial Handbook extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

The work undertaken to draw our conclusions includes:

- reviewing the information in the Financial Management and Governance Self-assessment (FMGS) and making appropriate enquiries of the Accounting Officer.
- 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 grants received and other income streams


THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY
(continued)**

- testing of a sample of payments to suppliers and other third parties
- testing of a sample of payroll payments to staff
- evaluating the internal control procedures and reporting lines, and testing as appropriate
- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity.

CONCLUSION

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



MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

11 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

18 / 12 / 14

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

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

		Unrestricted funds 2014 £000	Restricted funds 2014 £000	Restricted fixed asset funds 2014 £000	Total funds 2014 £000	15 months ended 31 August 2013 £000
	Note					
INCOMING RESOURCES						
Incoming resources from generated funds:						
Assets transferred on conversion	2	-	-	-	-	1,857
Voluntary income	2	-	5	-	5	-
Activities for generating funds	3	172	-	-	172	53
Funding for the Academy Trust's educational operations	4	4	1,329	48	1,381	1,658
TOTAL INCOMING RESOURCES		176	1,334	48	1,558	3,568
RESOURCES EXPENDED						
Costs of activities for generating funds	5	111	31	-	142	28
Charitable activities	7	-	1,302	45	1,347	1,688
Governance costs	6	-	10	-	10	17
TOTAL RESOURCES EXPENDED	8	111	1,343	45	1,499	1,733
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS, CARRIED FORWARD		65	(9)	3	59	1,835

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

		Unrestricted funds 2014 £000	Restricted funds 2014 £000	Restricted fixed asset funds 2014 £000	Total funds 2014 £000	15 months ended 31 August 2013 £000
	Note					
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS, BROUGHT FORWARD		65	(9)	3	59	1,835
Transfers between Funds	17	(27)	(43)	70	-	-
NET INCOME/(EXPENDITURE) FOR THE YEAR		38	(52)	73	59	1,835
Actuarial losses on defined benefit pension schemes		-	(272)	-	(272)	(57)
NET MOVEMENT IN FUNDS FOR THE PERIOD		38	(324)	73	(213)	1,778
Total funds at 1 September 2013		89	(535)	2,224	1,778	-
TOTAL FUNDS AT 31 AUGUST 2014		127	(859)	2,297	1,565	1,778

All activities relate to continuing operations.

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


The notes on pages 24 to 44 form part of these financial statements.

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08049033

BALANCE SHEET
AS AT 31 AUGUST 2014

	Note	£000	2014 £000	£000	2013 £000
FIXED ASSETS					
Tangible assets	14		2,297		2,224
CURRENT ASSETS					
Debtors	15	46		28	
Cash at bank		197		155	
		<u>243</u>		<u>183</u>	
CREDITORS: amounts falling due within one year	16	(97)		(61)	
NET CURRENT ASSETS			<u>146</u>		<u>122</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,443</u>		<u>2,346</u>
Defined benefit pension scheme liability	22		(878)		(568)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>1,565</u>		<u>1,778</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	17	19		33	
Restricted fixed asset funds	17	2,297		2,224	
		<u>2,316</u>		<u>2,257</u>	
Restricted funds excluding pension liability					
Pension reserve		(878)		(568)	
		<u></u>		<u></u>	
Total restricted funds			<u>1,438</u>		<u>1,689</u>
Unrestricted funds	17		127		89
TOTAL FUNDS			<u>1,565</u>		<u>1,778</u>

The financial statements were approved by the Trustees, and authorised for issue, on 1 December 2014 and are signed on their behalf, by:



Steven Ronald Lilley
Chair of Trustees



Kathryn McGovern
Accounting Officer

The notes on pages 24 to 44 form part of these financial statements.

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2014

	Note	2014 £000	2013 £000
Net cash flow from operating activities	19	112	75
Capital expenditure and financial investment	20	(70)	(37)
Cash transferred on conversion to an Academy Trust		-	117
INCREASE IN CASH IN THE YEAR		42	155

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

	2014 £000	2013 £000
Increase in cash in the year	42	155
MOVEMENT IN NET FUNDS IN THE YEAR	42	155
Net funds at 1 September 2013	155	-
NET FUNDS AT 31 AUGUST 2014	197	155

The notes on pages 24 to 44 form part of these financial statements.

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards 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 Fund accounting

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

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

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

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

1.3 Incoming resources

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

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

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

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

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

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £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'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.

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on leasehold 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:

Long leasehold property	-	2% straight line per annum
Property improvements	-	2% straight line per annum
Plant and machinery	-	20% straight line per annum
Fixtures and fittings	-	10% straight line
Computer equipment	-	33.33% straight line per annum

1.7 Operating leases

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

1.8 Taxation

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

1.9 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 22, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

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

2. VOLUNTARY INCOME

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	15 months ended 31 August 2013 £000
Local Authority surplus transferred on conversion	-	-	-	94
School fund transferred on conversion	-	-	-	17
Fixed assets transferred on conversion	-	-	-	2,236
Pension deficit transferred on conversion	-	-	-	(490)
Total	-	-	-	1,857
 Donations	 -	 5	 5	 -
 Voluntary income	 -	 5	 5	 1,857

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	15 months ended 31 August 2013 £000
Lettings income	25	-	25	31
After school club income	26	-	26	22
Catering	23	-	23	-
Preschool income	98	-	98	-
	<u>172</u>	<u>-</u>	<u>172</u>	<u>53</u>

4. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	15 months ended 31 August 2013 £000
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	1,178	1,178	1,468
Pupil Premium	-	77	77	52
Capital grants	-	48	48	48
Start up grants	-	-	-	25
Other EFA/DfE grants	-	9	9	-
	<u>-</u>	<u>1,312</u>	<u>1,312</u>	<u>1,593</u>
Other government grants				
Local Authority grants	-	34	34	9
	<u>-</u>	<u>34</u>	<u>34</u>	<u>9</u>
Other funding				
Parental contributions, other grants and sundry income	4	31	35	56
	<u>4</u>	<u>31</u>	<u>35</u>	<u>56</u>
	<u>4</u>	<u>1,377</u>	<u>1,381</u>	<u>1,658</u>

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

5. COSTS OF ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	15 months ended 31 August 2013 £000
Afterschool club costs	15	-	15	22
Preschool costs	67	-	67	-
Catering costs	23	31	54	-
Lettings costs	6	-	6	6
	<u>111</u>	<u>31</u>	<u>142</u>	<u>28</u>

6. GOVERNANCE COSTS

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	15 months ended 31 August 2013 £000
Legal and professional fees	-	-	-	11
Auditors' remuneration	-	10	10	6
	<u>-</u>	<u>10</u>	<u>10</u>	<u>17</u>

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

7. CHARITABLE ACTIVITIES

	Total funds 2014 £000	15 months ended 31 August 2013 £000
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	740	944
National insurance	44	61
Pension cost	128	135
Depreciation	45	49
Educational supplies	25	35
Staff development	7	7
Other direct costs	34	65
Insurance	6	2
	1,029	1,298
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	105	129
National insurance	5	7
Pension cost	19	22
Pension finance costs (note 13)	22	25
Travel and subsistence	1	-
Maintenance of premises and equipment	56	58
Cleaning	5	5
Rent and rates	9	10
Energy costs	14	19
Insurance	23	33
Catering	1	31
Legal and professional	15	11
Other support costs	41	40
Bank charges and interest	2	-
	318	390
	1,347	1,688

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

8. RESOURCES EXPENDED

	Staff costs	Non Pay Premises	Expenditure Other costs	Total	Total
	2014 £000	2014 £000	2014 £000	2014 £000	2013 £000
Costs of activities for generating funds	68	-	74	142	28
Costs of generating funds	68	-	74	142	28
Educational Operations	912	44	73	1,029	1,298
Support costs	151	84	83	318	390
Charitable activities	1,063	128	156	1,347	1,688
Governance	-	-	10	10	17
	1,131	128	240	1,499	1,733

9. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2014 £000	2013 £000
Depreciation of tangible fixed assets:		
Depreciation of tangible fixed assets	45	49
Auditors' remuneration - audit services	10	5
Auditors' remuneration - non audit services	1	1

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

10. STAFF

a. Staff costs

Staff costs were as follows:

	2014 £000	2013 £000
Wages and salaries	850	1,079
Social security costs	49	67
Other pension costs	147	157
	<u>1,046</u>	<u>1,303</u>
Preschool salaries	63	-
FRS 17 adjustments (note 13)	22	25
	<u>1,131</u>	<u>1,328</u>

b. Staff numbers

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

	2014 No.	2013 No.
Teachers	12	11
Management	3	4
Administration and support	22	19
	<u>37</u>	<u>34</u>

c. Higher paid staff

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

	2014 No.	2013 No.
In the band £60,001 - £70,000	<u>1</u>	<u>1</u>

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2014, pension contributions for this staff member amounts to £9,627 (2013: £9,300).

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

11. TRUSTEES' REMUNERATION AND EXPENSES

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

	2014 £000	2013 £000
Mrs Kathryn McGovern (Head Teacher)	75-80	80-85
Staff Trustee 1	10-15	10-15
Staff Trustee 2	20-25	25-30
Staff Trustee 3	55-60	55-60

During the year ended 31 August 2014, expenses totalling £229 (2013 - £NIL) were reimbursed to 3 trustee's.

Other related party transactions including the trustees are set out in note 23.

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the period ended 31 August 2014 was £1,172 (2013 - £1,970). The cost of this insurance is included in the total Insurance cost.

13. PENSION FINANCE COST

	2014 £000	2013 £000
Expected return on pension scheme assets	25	18
Interest on pension scheme liabilities	(47)	(43)
	<u>(22)</u>	<u>(25)</u>

THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

14. TANGIBLE FIXED ASSETS

	Long leasehold property £000	Property improvements £000	Plant and machinery £000	Fixtures and fittings £000
Cost				
At 1 September 2013	2,218	24	3	8
Additions	-	80	1	36
At 31 August 2014	2,218	104	4	44
Depreciation				
At 1 September 2013	41	-	-	1
Charge for the period	33	2	1	2
At 31 August 2014	74	2	1	3
Net book value				
At 31 August 2014	2,144	102	3	41
At 31 August 2013	2,177	24	3	7
			Computer equipment £000	Total £000
Cost				
At 1 September 2013			20	2,273
Additions			1	118
At 31 August 2014			21	2,391
Depreciation				
At 1 September 2013			7	49
Charge for the period			7	45
At 31 August 2014			14	94
Net book value				
At 31 August 2014			7	2,297
At 31 August 2013			13	2,224

Included in long leasehold property is land at a valuation of £575,100 (2013: £575,100) which is not depreciated.

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15. DEBTORS

	2014 £000	2013 £000
Trade debtors	-	1
VAT recoverable	17	6
Prepayments and accrued income	29	21
	<u>46</u>	<u>28</u>

16. CREDITORS:
Amounts falling due within one year

	2014 £000	2013 £000
Other taxation and social security	32	32
Other creditors	10	9
Accruals and deferred income	55	20
	<u>97</u>	<u>61</u>

		£000
Deferred income		
Resources deferred during the year		<u>46</u>

At the balance sheet date the Academy Trust was holding funds received in advance for school meals and pre school fees in relation to funding for the next academic year.

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17. STATEMENT OF FUNDS

	Brought forward £000	Incoming resources £000	Resources expended £000	Transfers in/(out) £000	Gains/ (losses) £000	Carried forward £000
Unrestricted funds						
General funds	89	176	(111)	(27)	-	127
Restricted funds						
General annual grant (GAG)	-	1,178	(1,135)	(43)	-	-
Other DfE/EFA grants	-	9	(6)	-	-	3
Pupil Premium	-	78	(62)	-	-	16
Capital grants	33	-	(33)	-	-	-
Other grants	-	1	(1)	-	-	-
Other government grants	-	33	(33)	-	-	-
Other income	-	35	(35)	-	-	-
Pension reserve	(568)	-	(38)	-	(272)	(878)
	(535)	1,334	(1,343)	(43)	(272)	(859)
Restricted fixed asset funds						
Restricted fixed asset funds	2,224	48	(45)	70	-	2,297
Total restricted funds	1,689	1,382	(1,388)	27	(272)	1,438
Total of funds	1,778	1,558	(1,499)	-	(272)	1,565

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

General Annual Grant (GAG)

Funds from the Education Funding Agency for the provision of education, in line with the funding agreement.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014. Transfers of £37,000 from GAG funding to the restricted fixed asset fund represents contributions towards capital expenditure during the year.

Other DfE/EFA Grants

Other funds provided by the DfE/EFA for particular purposes within the academy's educational operations.

Start up grant

Being the fund from the Education Funding Agency to cover development costs to prepare the Academy for opening.

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17. STATEMENT OF FUNDS (continued)

Pupil Premium

Additional funds from the Education Funding Agency to support their disadvantaged pupils and close the attainment gap between them and their peers. This is allocated for every pupil who receives free school meals.

Capital grants

This consists of Devolved Formula Capital (DFC) and other capital funding from the Education Funding Agency. The DFC is to be used for ICT items, improvements to building and other facilities or capital repairs and refurbishments and minor works. Other capital grants are to be used as per the individual terms of the agreement and for the specific capital projects as applied for.

Other grants

These are funds and grants received from the local authority and other institutions for use on specific educational projects.

Other income

These consist of income from all other sources to be used primarily for the Academy's educational operations.

Pension Reserve

Being the fund in relation to the defined benefit pension scheme liability included in the balance sheet. The fund is in deficit given the nature of the liability, however, this is not payable immediately.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Restricted fixed asset funds 2014 £000	Total funds 2014 £000	15 months ended 31 August 2013 £000
Tangible fixed assets	-	-	2,297	2,297	2,224
Current assets	127	116	-	243	183
Creditors due within one year	-	(97)	-	(97)	(61)
Provisions for liabilities and charges	-	(878)	-	(878)	(568)
	<u>127</u>	<u>(859)</u>	<u>2,297</u>	<u>1,565</u>	<u>1,778</u>

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19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £000	2013 £000
Net incoming resources before revaluations	59	1,835
Fixed assets transferred on conversion	-	(2,236)
Pension transferred from Local Authority on conversion	-	490
Depreciation of tangible fixed assets	45	49
Cash transferred on conversion to an Academy Trust	-	(117)
Increase in debtors	(18)	(28)
Increase in creditors	36	61
Capital grants from DfE	(48)	-
FRS 17 adjustments	38	21
Net cash inflow from operations	112	75

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

	2014 £000	2013 £000
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(118)	(37)
Capital grants from DfE	48	-
Net cash outflow capital expenditure	(70)	(37)

21. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2013 £000	Cash flow £000	Other non-cash changes £000	31 August 2014 £000
Cash at bank and in hand	155	42	-	197
Net funds	155	42	-	197

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22. PENSION COMMITMENTS

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2013.

Contributions amounting to £17,354 were payable to the scheme at 31 August 2014 (2013 - £16,143) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

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

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22. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme Changes

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

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

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

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

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2014 was £85,000, of which employer's contributions totalled £66,000 and employees' contributions totalled £19,000. The agreed contribution rates for future years are 18.2% for employers and 6.1% 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.

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22. PENSION COMMITMENTS (continued)

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

	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £000	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £000
Equities	6.30	396	6.60	262
Bonds	3.30	96	3.80	106
Property	4.50	57	4.70	37
Cash	3.30	17	3.60	4
Total market value of assets		566		409
Present value of scheme liabilities		(1,444)		(977)
Deficit in the scheme		(878)		(568)

The amounts recognised in the Balance Sheet are as follows:

	2014 £000	2013 £000
Present value of funded obligations	(1,444)	(977)
Fair value of scheme assets	566	409
Net liability	(878)	(568)

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

	2014 £000	2013 £000
Current service cost	(82)	(64)
Interest on obligation	(47)	(43)
Expected return on scheme assets	25	18
Total	(104)	(89)
Actual return on scheme assets	(54)	(53)

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22. PENSION COMMITMENTS (continued)

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

	2014 £000	2013 £000
Opening defined benefit obligation	977	759
Current service cost	82	64
Interest cost	47	43
Contributions by members	19	19
Actuarial Losses	326	92
Benefits paid	(7)	-
Closing defined benefit obligation	1,444	977

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

	2014 £000	2013 £000
Opening fair value of scheme assets	409	269
Expected return on assets	25	18
Actuarial gains	54	35
Contributions by employer	66	68
Contributions by employees	19	19
Benefits paid	(7)	-
	566	409

The actuarial gains and losses for the current year are recognised in the Statement of Financial Activities. The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities since the adoption of FRS 17 is a £329,000 loss (2013: £57,000 loss).

The Academy expects to contribute £74,000 to its Defined Benefit Pension Scheme in 2015.

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

	2014	2013
Equities	70.00 %	64.00 %
Bonds	17.00 %	26.00 %
Property	10.00 %	9.00 %
Cash	3.00 %	1.00 %

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

	2014	2013
Rates of increase for pensions in payment/inflation	2.70 %	2.80 %
Rates of increase in salaries	4.50 %	5.10 %
Expected return on scheme assets at 31 August	5.50 %	5.70 %
Discount rate for scheme liabilities	3.70 %	4.60 %

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22. PENSION COMMITMENTS (continued)

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

	2014	2013
Retiring today		
Males	22.2	20.9
Females	24.3	23.3
Retiring in 20 years		
Males	24.2	23.3
Females	26.6	25.6

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2014 £000	2013 £000
Defined benefit obligation	(1,444)	(977)
Scheme assets	566	409
Deficit	(878)	(568)
Experience adjustments on scheme liabilities	(326)	(92)
Experience adjustments on scheme assets	54	35

23. OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other	
	2014 £000	2013 £000	2014 £000	2013 £000
Expiry date:				
Within 1 year	-	-	-	1
Between 2 and 5 years	-	-	1	-

24. RELATED PARTY TRANSACTIONS

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

No related party transactions took place in the year of account.

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25. CONTROLLING PARTY

The Academy is ultimately controlled by the Governing Body, which includes the Headteacher and the Deputy Headteacher.

26. 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 ceases to be a member.

27. COMPANY LIMITED BY GUARANTEE

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