

Registered number: 08049033

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

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

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

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

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
Ms Karen Chetwynd^{2,4}
Dr Lisa Morrison-Couthard^{2,3}
Ms Caroline Kemp³
Mrs Rachel Hall^{2,4}
Mrs Rosemary Blowfield, Staff Trustee⁴
Mrs Clare Smith, Staff Trustee^{1,4}
Mr Vijay Hindocha²
Mr Andrew Albion^{2,3,4}
Mr Carl Sutherley (resigned 1 June 2015)³
Mr Benjamin Ward
Mrs Laura Cook³
Mrs Sarah Addison^{1,2,3,4}

¹ Member

² Finance

³ Curriculum

⁴ Premises

Company registered number

08049033

Principal and registered office

Meadow Way
Wigston Magna
Wigston
Leicestershire
LE18 3QZ

Company secretary

Mrs Kirsten McLaren

Senior management team

Mrs Kathryn McGovern, Headteacher
Mrs Clare Smith, Deputy Headteacher
Mrs Louise Allen, Assistant Headteacher

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

Administrative details (continued)

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 YEAR ENDED 31 AUGUST 2015

The Trustees present their Annual Report together with the financial statements and auditor's reports of the charitable company for the year ended 31 August 2015. 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 347 in the school census on 21 May 2015.

The Trust also operates a pre-school for children from 2 to 4 years.

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 Governors and 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 £1,451 (2014 - £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.

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

Company law requires the Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year. Assistance to the office staff in preparing financial statements giving a true and fair view is provided by MHA Macintyre Hudson who in turn, will ensure the accounts are audited independently.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

Recruitment of Governors is outlined in the Memorandum of Articles. 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 Local Authority 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 Academy Trust 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

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

- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

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.

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

- 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.

- 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 Academy Trust 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 YEAR ENDED 31 AUGUST 2015

ACHIEVEMENTS AND PERFORMANCE

During 2014-15 we used the Symphony Assessment System to monitor pupil progress. The following shows pupil performance at The Meadow Community Primary School Academy Trust compared with the average across 21 schools using the same system:

	21 schools				The Meadow			
	Reading	Writing	Maths	Average	Reading	Writing	Maths	Average
Year 1	57%	44%	45%	49.0%	57%	52%	42%	50.0%
ASP (exp 11)	10.09	9.5026	9.5806	9.7244	9.933	9.833	9.6	9.7889
No.children at or above	556	427	424		34	31	25	
No.children below	411	540	513		26	29	35	
Year 2	52%	30%	38%	40.4%	63%	42%	56%	53.7%
ASP (exp 17)	15.407	14.096	14.44	14.6474	16.83	15.1	16.15	16.0270
No.children at or above	320	183	213		37	25	33	
No.children below	295	432	344		22	34	26	
Year 3	33%	20%	21%	24.7%	38%	42%	25%	45.2%
ASP (exp 23)	19.868	18.298	18.841	19.0020	21.47	19.51	19.47	20.1525
No.children at or above	296	175	190		40	25	15	
No.children below	596	716	703		19	34	44	
Year 4	28%	15%	18%	20.1%	39%	25%	24%	29.2%
ASP (exp 29)	25.098	22.813	24.107	24.0057	26.96	25.87	25.84	26.2247
No.children at or above	256	136	162		22	14	13	
No.children below	666	784	758		35	41	42	
Year 5	31%	24%	28%	27.7%	30%	8%	7%	14.8%
ASP (exp 35)	30.733	28.489	29.852	29.6912	30.77	26.21	24.76	27.2480
No.children at or above	295	223	268		16	4	4	
No.children below	648	724	685		37	49	55	

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.

KEY FINANCIAL PERFORMANCE INDICATORS

The Finance Committee at The Meadow Community Primary School Academy Trust 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.

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

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 2015 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 received grants 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 and Staffing 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.

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; and
- 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.

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

The Governors review the reserve levels of the Academy in Finance and staffing 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 2015 the total funds comprised:

	£000
Unrestricted:	150
Restricted:	
Fixed asset funds	2,318
GAG	-
Pension reserve	(918)
Other	27
	<u>1,577</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.

PLANS FOR FUTURE PERIODS

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

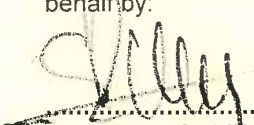
DISCLOSURE OF INFORMATION TO AUDITOR

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

- so far as that Trustees is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- that Trustees have taken all the steps that ought to have been taken as a Trustees 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

This report was approved by order of the Board of Trustees on 7 December 2015 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 Trustees' Responsibilities Statement. The Board of Trustees has formally met 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

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

During 2014-15 the Governing Body undertook a skills audit, and following this it was agreed that there was a need to focus on their strategic understanding. Training in this area took place on 7 September 2015.

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	5	6
Mrs Sarah Addison	3	6
Ms Karen Chetwynd	1	6
Mrs Rachel Hall	5	6
Mr Vijay Hindocha	3	6
Mrs Kathryn McGovern	6	6
Mrs Louise Morrison-Coulthard	0	6
Mr Andrew Albon	4	6

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GOVERNANCE STATEMENT (continued)

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 year ended 31 August 2015 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 Staffing 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; and
- 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 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 and Staffing Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

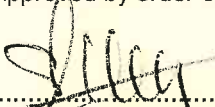
REVIEW OF EFFECTIVENESS

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 the internal auditor;
- the work of the external auditor;
- the work of the senior 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, minor weaknesses have been address 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 7 December 2015 and signed on its behalf, by:


.....
Steve Ronald Lilley
Chair of Trustees


.....
Kathryn McGovern
Accounting Officer

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GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the 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 ensuring that The Meadow Community Primary School Academy Trust adopts the four principles of best value:

- Challenge - Is the school's performance high enough? Why and how is a service provided? Do we still need it? Can it be delivered differently? What do parents want?
- Compare - How does the school's student performance and financial performance compare with all schools? How does it compare with LA schools? How does it compare with similar schools?
- Consult - How does the school seek the views of stakeholders about the services the school provides?
- Compete - How does the school secure efficient and effective services? Are services of appropriate quality, economic?

During 2014-15 we have:

- Made comparisons with other/similar schools using data provided by the Local Authority and the Government, such as RAISEONLINE, quality of teaching & learning, levels of expenditure and through collaborative work scrutiny between the Symphony group of primary schools;
- Challenged proposals, examining them for effectiveness, efficiency and cost;
- Required suppliers to compete on grounds of cost, and quality/suitability of services / products / backup.
- Consulted individuals and organisations on quality/suitability of service we provide to parents and pupils, and services we receive from providers. During 2014-15 this was predominantly achieved through collaborative working with the Symphony group of primary schools in Leicestershire; and
- Commenced a review of the efficiency and effectiveness of the school office.

This applies in particular to staffing, use of premises, use of resources, quality of teaching, quality of learning, purchasing, pupils' welfare and health and safety.

We do not waste time and resources on investigating minor areas where few improvements can be achieved with minor savings in costs.

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 year ended 31 August 2015 and up to the date of approval of the Annual Report and financial statements.

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Meadow Community Primary School Academy Trust 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 for Education. 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'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: 7 December 2015

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

TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

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

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 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 7 December 2015 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 MEMBERS OF THE MEADOW COMMUNITY PRIMARY SCHOOL ACADEMY TRUST

We have audited the financial statements of The Meadow Community Primary School Academy Trust for the year ended 31 August 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the 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 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Report for the financial year 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 MEMBERS 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:

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 7 August 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Meadow Community Primary School Academy Trust during the year ended 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 ACCOUNTING OFFICER 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 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy'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
(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**
(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; and
- 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 year ended 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

11 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

Date:

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 YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Restricted fixed asset funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	-	5	-	5	5
Activities for generating funds	3	175	-	-	175	172
Funding for the Academy Trust's charitable operations:						
Funding for the Academy Trust's educational operations		4	1,461	8	1,473	1,381
TOTAL INCOMING RESOURCES		179	1,466	8	1,653	1,558
RESOURCES EXPENDED						
Costs of generating funds:						
Costs of activities for generating funds	5	120	-	-	120	142
Governance costs	6	-	9	-	9	10
Charitable activities:						
Academy Trust educational operations	7	-	1,473	51	1,524	1,347
TOTAL RESOURCES EXPENDED	8	120	1,482	51	1,653	1,499
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS, CARRIED FORWARD						
		59	(16)	(43)	-	59

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

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

	Note	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Restricted fixed asset funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS, BROUGHT FORWARD		59	(16)	(43)	-	59
Transfers between funds	17	(36)	(28)	64	-	-
NET INCOME/(EXPENDITURE) FOR THE YEAR		23	(44)	21	-	59
Actuarial gains/(losses) on defined benefit pension schemes		-	12	-	12	(272)
NET MOVEMENT IN FUNDS FOR THE YEAR		23	(32)	21	12	(213)
Total funds at 1 September 2014		127	(859)	2,297	1,565	1,778
TOTAL FUNDS AT 31 AUGUST 2015		150	(891)	2,318	1,577	1,565

All activities relate to continuing operations.

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


The notes on pages 23 to 42 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 2015

	Note	£000	2015 £000	£000	2014 £000
FIXED ASSETS					
Tangible assets	14		2,318		2,297
CURRENT ASSETS					
Debtors	15	39		46	
Cash at bank		271		197	
		310		243	
CREDITORS: amounts falling due within one year	16	(133)		(97)	
NET CURRENT ASSETS			177		146
TOTAL ASSETS LESS CURRENT LIABILITIES			2,495		2,443
Defined benefit pension scheme liability	23		(918)		(878)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			1,577		1,565
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	17	27		19	
Restricted fixed asset funds	17	2,318		2,297	
Restricted funds excluding pension liability		2,345		2,316	
Pension reserve		(918)		(878)	
Total restricted funds			1,427		1,438
Unrestricted funds	17		150		127
TOTAL FUNDS			1,577		1,565

The financial statements were approved by the Trustees, and authorised for issue, on 7 December 2015 and are signed on their behalf, by:



Steven Ronald Lilley
 Chair of Trustees



Kathryn McGovern
 Accounting Officer

The notes on pages 23 to 42 form part of these financial statements.

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

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	2015 £000	2014 £000
Net cash flow from operating activities	19	138	112
Capital expenditure and financial investment	20	(64)	(70)
INCREASE IN CASH IN THE YEAR		<u>74</u>	<u>42</u>

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

	2015 £000	2014 £000
Increase in cash in the year	<u>74</u>	<u>42</u>
MOVEMENT IN NET FUNDS IN THE YEAR	74	42
Net funds at 1 September 2014	<u>197</u>	<u>155</u>
NET FUNDS AT 31 AUGUST 2015	<u>271</u>	<u>197</u>

The notes on pages 23 to 42 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 YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention. 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 2014 to 2015 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.

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

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

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

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 £500 are capitalised.

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

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

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

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

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 per annum
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 23, 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
(A Company Limited by Guarantee)

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

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 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Donations	-	5	5	5
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

3. FUNDRAISING INCOME

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Lettings income	27	-	27	25
After school club income	26	-	26	26
Catering	19	-	19	23
Preschool income	103	-	103	98
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>175</u>	<u>-</u>	<u>175</u>	<u>172</u>

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

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

4. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	1,177	1,177	1,178
Pupil Premium	-	105	105	77
Capital Grants	-	8	8	48
Other EFA/DfE grants	-	91	91	9
	-	1,381	1,381	1,312
Other government grants				
Local Authority grants	-	46	46	34
	-	46	46	34
Other funding				
Parental contributions, other grants and sundry income	4	32	36	35
Other non government grants	-	10	10	-
	4	42	46	35
	4	1,469	1,473	1,381

5. COSTS OF ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Afterschool club costs	16	-	16	15
Preschool costs	79	-	79	67
Catering costs	19	-	19	54
Hospitality	1	-	1	-
Lettings costs	5	-	5	6
	120	-	120	142
	120	-	120	142

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

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

6. GOVERNANCE COSTS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Auditors' remuneration	-	9	9	10

7. ACADEMY TRUST EDUCATIONAL OPERATIONS

	Total funds 2015 £000	Total funds 2014 £000
DIRECT COSTS		
Wages and salaries	784	740
National insurance	43	44
Pension cost	152	128
Depreciation	51	45
Educational supplies	24	25
Staff development	4	7
Other direct costs	34	34
Insurance	8	6
	1,100	1,029
SUPPORT COSTS		
Wages and salaries	116	105
National insurance	6	5
Pension cost	22	19
Pension finance cost (note 13)	22	22
Travel and subsistence	5	1
Maintenance of premises and equipment	59	56
Cleaning	6	5
Rent and rates	6	9
Energy costs	23	14
Insurance	24	23
Catering	75	1
Legal and professional	16	15
Other support costs	36	41
Bank charges and interest	8	2
	424	318
	1,524	1,347

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

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

8. RESOURCES EXPENDED

	Staff costs	Non Pay	Expenditure	Total	Total
	2015	Premises	Other costs	2015	2014
	£000	2015	2015	£000	£000
		£000	£000		
Costs of activities for generating funds	67	-	53	120	142
Costs of generating funds	67	-	53	120	142
Educational operations	979	41	80	1,100	1,029
Support costs	166	53	205	424	318
Charitable activities	1,145	94	285	1,524	1,347
Governance	-	-	9	9	10
	1,212	94	347	1,653	1,499

9. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015	2014
	£000	£000
Depreciation of tangible fixed assets	51	45
Auditors' remuneration - audit services	8	9
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 YEAR ENDED 31 AUGUST 2015

10. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £000	2014 £000
Wages and salaries	905	850
Social security costs	49	49
Other pension costs	175	147
	<u>1,129</u>	<u>1,046</u>
FRS 17 adjustments (note 13)	22	22
Preschool salaries	61	63
	<u><u>1,212</u></u>	<u><u>1,131</u></u>

b. Staff numbers

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

	2015 No.	2014 No.
Teachers	11	12
Management	3	3
Administration and support	27	22
	<u>41</u>	<u>37</u>

c. Higher paid staff

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

	2015 No.	2014 No.
In the band £60,001 - £70,000	0	1
In the band £70,001 - £80,000	1	0
	<u><u>1</u></u>	<u><u>1</u></u>

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for this staff member amounts to £9,964 (2014: £9,627).

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

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

11. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

	2015 £000	2014 £000
Mrs Kathryn McGovern	70-75	65-70
Mrs Kathryn McGovern Pension	5-10	5-10
Mrs Clare Smith	45-50	45-50
Mrs Clare Smith Pension	5-10	5-10
Mrs Emma Cheetham	20-25	20-25
Mrs Emma Cheetham Pension	0-5	0-5
Mrs Rosemary Blowfield	10-15	10-15
Mrs Rosemary Blowfield Pension	0-5	0-5

During the year ended 31 August 2015, expenses totalling £288 (2014 - £229) were reimbursed to 4 Trustee's.

Other related party transactions including the Trustees are set out in note 25.

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 year ended 31 August 2015 was £1,451 (2014 - £1,172). The cost of this insurance is included in the total insurance cost.

13. PENSION FINANCE COST

	2015 £000	2014 £000
Expected return on pension scheme assets	34	25
Interest on pension scheme liabilities	(56)	(47)
	<u>(22)</u>	<u>(22)</u>

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14. TANGIBLE FIXED ASSETS

	Long leasehold property £000	Plant and machinery £000	Fixtures and fittings £000	Computer equipment £000	Total £000
Cost					
At 1 September 2014	2,322	4	44	21	2,391
Additions	58	-	1	13	72
At 31 August 2015	<u>2,380</u>	<u>4</u>	<u>45</u>	<u>34</u>	<u>2,463</u>
Depreciation					
At 1 September 2014	76	1	3	14	94
Charge for the year	35	1	5	10	51
At 31 August 2015	<u>111</u>	<u>2</u>	<u>8</u>	<u>24</u>	<u>145</u>
Net book value					
At 31 August 2015	<u>2,269</u>	<u>2</u>	<u>37</u>	<u>10</u>	<u>2,318</u>
At 31 August 2014	<u>2,246</u>	<u>3</u>	<u>41</u>	<u>7</u>	<u>2,297</u>

Included in long leasehold property is land at a valuation of £575,100 (2014 - £575,100) which is not depreciated.

15. DEBTORS

	2015 £000	2014 £000
VAT recoverable	9	17
Prepayments and accrued income	30	29
	<u>39</u>	<u>46</u>

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

	2015 £000	2014 £000
Other taxation and social security	15	14
Other creditors	29	28
Accruals and deferred income	89	55
	<u>133</u>	<u>97</u>

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FOR THE YEAR ENDED 31 AUGUST 2015

16. CREDITORS:
Amounts falling due within one year (continued)

	£000
Deferred income	
Deferred income at 1 September 2014	46
Resources deferred during the year	38
Amounts released from previous years	(46)
	<hr/>
Deferred income at 31 August 2015	<u>38</u>

At the balance sheet date the Academy Trust was holding funds received in advance for Universal Infant Free School Meals income for 2015/16 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	127	179	(120)	(36)	-	150
Restricted funds						
General Annual Grant (GAG)	-	1,177	(1,149)	(28)	-	-
Other DfE/EFA grants	3	91	(94)	-	-	-
Pupil Premium	16	105	(104)	-	-	17
Other non government grants	-	10	-	-	-	10
Other Local Authority grants	-	46	(46)	-	-	-
Other income	-	37	(37)	-	-	-
Pension reserve	(878)	-	(52)	-	12	(918)
	(859)	1,466	(1,482)	(28)	12	(891)
Restricted fixed asset funds						
Restricted fixed asset funds	2,297	8	(51)	64	-	2,318
Total restricted funds	1,438	1,474	(1,533)	36	12	1,427
Total of funds	1,565	1,653	(1,653)	-	12	1,577

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 2015. Transfers of £28,000 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.

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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.

Restricted fixed asset funds

The restricted fixed asset fund was funded predominantly by the funds inherited on conversion to an Academy from the Local Authority following the transfer of assets. It includes further amounts invested in fixed assets.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Restricted fixed asset funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Tangible fixed assets	-	-	2,318	2,318	2,297
Current assets	150	160	-	310	243
Creditors due within one year	-	(133)	-	(133)	(97)
Provisions for liabilities and charges	-	(918)	-	(918)	(878)
	<u>150</u>	<u>(891)</u>	<u>2,318</u>	<u>1,577</u>	<u>1,565</u>

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19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £000	2014 £000
Net incoming resources before revaluations	-	59
Depreciation of tangible fixed assets	51	45
Decrease/(increase) in debtors	7	(18)
Increase in creditors	36	36
Capital grants from DfE	(8)	(48)
FRS 17 pension costs less contributions payable	30	16
FRS 17 pension finance cost (note 13)	22	22
Net cash inflow from operations	138	112

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

	2015 £000	2014 £000
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(72)	(118)
Capital grants from DfE	8	48
Net cash outflow capital expenditure	(64)	(70)

21. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £000	Cash flow £000	31 August 2015 £000
Cash at bank and in hand	197	74	271
Net funds	197	74	271

22. CAPITAL COMMITMENTS

At 31 August 2015 the Academy had capital commitments as follows:

	2015 £000	2014 £000
Contracted for but not provided in these financial statements	28	-

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FOR THE YEAR ENDED 31 AUGUST 2015

23. 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 2012 and of the LGPS 31 March 2013.

Contributions amounting to £18,847 were payable to the scheme at 31 August 2015 (2014 - £17,354) 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.

Valuation of the Teachers' Pension Scheme

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

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

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

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23. PENSION COMMITMENTS (continued)

The employers pension costs paid to Teachers Pension Scheme in the period amounted to £73,000 (2014 - £73,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £102,000, of which employer's contributions totalled £80,000 and employees' contributions totalled £22,000. The agreed contribution rates for future years are 21.4% for employers and between 5.5% and 12.5% for employees.

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

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £000	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £000
Equities	3.80	454	6.30	396
Bonds	3.80	145	3.30	96
Property	3.80	76	4.50	57
Cash	3.80	14	3.30	17
Total market value of assets		<u>689</u>		<u>566</u>
Present value of scheme liabilities		<u>(1,607)</u>		<u>(1,444)</u>
Deficit in the scheme		<u><u>(918)</u></u>		<u><u>(878)</u></u>

The expected rates of return are set equal to the discount rate.
The amounts recognised in the Balance Sheet are as follows:

	2015 £000	2014 £000
Present value of funded obligations	(1,607)	(1,444)
Fair value of scheme assets	<u>689</u>	<u>566</u>
Net liability	<u><u>(918)</u></u>	<u><u>(878)</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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23. PENSION COMMITMENTS (continued)

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

	2015	2014
	£000	£000
Current service cost	(110)	(82)
Interest on obligation	(56)	(47)
Expected return on scheme assets	34	25
	<u> </u>	<u> </u>
Total	(132)	(104)
	<u> </u>	<u> </u>
Actual return on scheme assets	24	54
	<u> </u>	<u> </u>

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

	2015	2014
	£000	£000
Opening defined benefit obligation	1,444	977
Current service cost	110	82
Interest cost	56	47
Contributions by members	22	19
Actuarial (gains)/losses	(22)	326
Benefits paid	(3)	(7)
	<u> </u>	<u> </u>
Closing defined benefit obligation	1,607	1,444
	<u> </u>	<u> </u>

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

	2015	2014
	£000	£000
Opening fair value of scheme assets	566	409
Expected return on assets	34	25
Actuarial (gains)/losses	(10)	54
Contributions by employer	80	66
Contributions by employees	22	19
Benefits paid	(3)	(7)
	<u> </u>	<u> </u>
	689	566
	<u> </u>	<u> </u>

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 was £317,000 losses (2014 - £329,000 losses).

The Academy expects to contribute £91,000 to its Defined Benefit Pension Scheme in 2016.

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23. PENSION COMMITMENTS (continued)

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

	2015	2014
Equities	66.00 %	70.00 %
Bonds	21.00 %	17.00 %
Property	11.00 %	10.00 %
Cash	2.00 %	3.00 %

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

	2015	2014
Rates of increase for pensions in payment/inflation	2.70 %	2.70 %
Rates of increase in salaries	4.60 %	4.50 %
Expected return on scheme assets at 31 August	3.80 %	5.50 %
Discount rate for scheme liabilities	3.80 %	3.70 %
Inflation assumption (CPI)	2.60 %	2.60 %

Sensitivity analysis:

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Changes in assumptions at 31 August 2015:	Approximate percentage increase	Approximate monetary amount to (£000)
		Employer Liability (%)
0.5% decrease in Real Discount Rate	14	230
1 year increase in member life expectancy	3	48
0.5% increase in the Salary Increase Rate	8	128
0.5% increase in the Pension Increase Rate	6	93

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

	2015	2014
Retiring today		
Males	22.2	22.2
Females	24.3	24.3
Retiring in 20 years		
Males	24.2	24.2
Females	26.6	26.6

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23. PENSION COMMITMENTS (continued)

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

Defined benefit pension schemes

	2015	2014	2013
	£000	£000	£000
Defined benefit obligation	(1,607)	(1,444)	(977)
Scheme assets	689	566	409
Deficit	(918)	(878)	(568)
Experience adjustments on scheme liabilities	22	(326)	(92)
Experience adjustments on scheme assets	(10)	54	35

24. OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other	
	2015	2014	2015	2014
	£000	£000	£000	£000
Expiry date:				
Between 2 and 5 years	-	-	1	1

25. 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.

26. CONTROLLING PARTY

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

27. 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 they cease 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.

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28. COMPANY LIMITED BY GUARANTEE

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