

Report of the Governors and
Financial Statements for the Year Ended
31 August 2015
for
Holmer Church Of England Academy

Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

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MEMBERS

Cllr P A Andrews
Mrs J Maund
Mr C Bramble
Mr A Banks
Rev S Lee
The Diocese of Hereford Educational Trust

Governors (Trustees)

Mr C Bramble	Community	
Mrs J Cecil	Head Teacher	(retired March 2015)
Cllr P Andrews	Local Authority	
Mrs R Vodden	Foundation	
Miss E Stackhouse	Non-teaching staff	
Mrs C Hartland	Foundation	
Mrs S Eckley	Parent	
Mr A Banks	Parent	
Mrs J Maund	Head Teacher	
Mr C Pinches	Parent	
Mr A Wibmer	Co-opted	
Mrs M Hillman	Foundation	
Rev S Lee	Ex Officio	
Mrs J Brandreth	Teacher	(appointed September 2014)

Members of Finance and General Purpose Committee

C Bramble	Community	
Mrs J Cecil	Head Teacher	(retired March 2015)
Cllr P Andrews	Local Authority	
Mrs J Maund	Head Teacher	
C Pinches	Parent	
Miss E Stackhouse	Non-teaching Staff	

Senior Management Team

Mrs J Cecil	(retired March 2015)
Mrs J Maund	
Miss A Begley	
Mrs Z Jackson	
Miss A Keating	
Mrs B Deuchar	

Accounting Officer

Mrs J Maund

REGISTERED OFFICE

Holmer Church Of England Academy
Holmer Road
Hereford

REGISTERED COMPANY NUMBER	7850551 (England and Wales)
SENIOR STATUTORY AUDITOR	Mr Kevin Tong FCCA ACA
AUDITORS	Thorne Widgery Accountancy Ltd Chartered Accountants Statutory Auditors 2 Wyevale Business Park Kings Acre Hereford Herefordshire HR4 7BS
SOLICITORS	Wrigleys Solicitors LLP 19 Cookridge Street Leeds LS2 3AG
BANKERS	Lloyds TSB 6 - 8 High Town Hereford

The governors who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report with the financial statements of the academy trust for the year ended 31 August 2015. The governors have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005 and the Academies Accounts Direction issued by the Education Funding Agency.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Company was incorporated on the 17 November 2011 and converted from a Local Authority School to an Academy Trust on the 1st December 2011.

The governors act as the trustees for the charitable activities of Holmer Church of England Academy and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Holmer Church of England Academy.

Details of the governors who served throughout the year except as noted are included in the Reference and Administrative Details on pages 1 and 2.

Members' liability

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

Governors' Indemnities

Governors benefit from indemnity insurance purchased at the Academy Trust's expense 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, provided that any such insurance shall not extend to any claim arising from any act or omission which the governors knew to be a breach of trust or breach of duty or which was committed by the governors in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the governors in their capacity as directors of the Academy Trust.

The liability insurance is provided by Zurich PLC and provides cover up to £1,000,000 (2014: £1,000,000) on any one claim.

Principal activities

This is defined in the Articles of Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Method of Recruitment and Appointment or Election of Governors

This is defined in the Articles of Association:

The Members may appoint up to 6 Governors.

The Members may appoint Staff Governors through such process as they may determine, provided that the total number of Governors (including the Principal) who are employees of the Academy Trust does not exceed one-third of the total number of Governors.

The LA may appoint the LA Governor.

The Principal shall be treated for all purposes as being an ex officio governor.

Subject to Article 57, the Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when he is elected.

The Governors may appoint up to 2 Co-opted Governors. A 'Co-opted Governor' means a person who is appointed to be a Governor by being Co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if thereby the number of Governors who are employees of the Academy Trust would exceed one-third of the total number of Governors (including the Principal).

Policies and Procedures Adopted for the Induction and Training of Governors

The Academy has a Governor Recruitment and Induction policy.

The training and induction provided for new governors includes a tour of the Academy and a chance to meet staff and pupils. The Governor Support Team at the Local Authority provides external training including financial matters. They provide regular updates on practice, legislation and guidance. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors.

Organisational structure

The Academy has a leadership structure which consists of the governors and the Senior Leadership Team. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels. The Headteacher is the Accounting Officer.

The governors are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Senior Management Team is the Headteacher, deputy Headteacher and three teaching staff. These leaders direct the Academy at an executive level implementing the policies laid down by the governors and reporting back to them.

Connected Organisations, including Related Party Relationships

The Academy liaises with the Local Authority and the Hereford Diocese.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas, and its finances. The governors have implemented a system of assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Statement of Internal Control.

OBJECTIVES AND ACTIVITIES

Objectives and aims

Our aim is to help children realise their full potential by providing:

- The highest quality education within the context of Christian belief
- A happy and attractive environment which enables children to make the most of their opportunities and abilities
- A caring and approachable staff and an ethos of concern for others and responsibility for our own actions
- A broad, balanced, challenging and relevant curriculum which caters for the needs of individual children
- Up-to-date learning materials, technology, teaching and learning experiences

We also aim to help our children develop:

- An understanding of the Christian faith and promote Christian values for all pupils
- Courtesy, good manners and consideration towards others
- Relationships based on mutual respect and self-discipline
- Lively minds, knowledge, understanding and a range of practical and mental skills
- A love of books, pride in the quality of their work
- Appreciation and interest in music, art and drama
- Healthy bodies and physical skills in PE, swimming and games
- Respect for the World in which we live and concern for it and its dwindling resources
- Independence and self-reliance

Objectives, Strategies and Activities

Key priorities for the year are contained in our school Improvement Plan which is available from the school office. Other key areas for development include:

- Completion of boundary fencing and wall which will also act as a flood deterrent
- Review of the senior leadership structure, roles and responsibilities
- Completion of redevelopment of learning library

The School Development Plan identifies development under the four Key Judgement Areas of Leadership and Management, Personal Development, Welfare and Behaviour, Quality of Teaching, Learning and Assessment and Outcomes for children and learners. As well as this priorities for development within the Early Years are identified.

OBJECTIVES AND ACTIVITIES

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. All our charitable activities are undertaken to further our charitable purposes for the public benefit.

ACHIEVEMENT AND PERFORMANCE

Achievements and Performance

The Academy is in its fourth year of performance and has continued to increase in size. Over the last three years the Academy has admitted close to a full complement of 60 pupils. As smaller cohorts leave year 6 the size of the academy has increased with 383 pupils on role in September 2015, an increase from 364 in September 2014.

At the end of foundation stage, in 2015 The Academy's attainment resulted in 62% of pupils attaining a good level of development (an increase from 57% in 2013) and slightly below with national figures. The Academy tracked the progress pupils made from their point of entry and the progress was good with a higher percentage of children typical plus on exit than on entry.

Areas	Below entry	Below on exit	Typical + on entry	Typical + on exit	Above on entry	Above on exit
Listening	60%	25%	40%	75%	10%	6%
Speaking	65%	21%	35%	79%	6%	0%
Understanding	45%	27%	55%	73%	0%	6%
Health self-care	45%	6%	55%	94%	2%	4%
Moving and handling	47%	17%	53%	83%	8%	8%
Feelings behaviour	61%	17%	39%	83%	6%	6%
Self confidence	65%	15%	35%	85%	6%	2%
Relationships	59%	12%	41%	88%	6%	4%
Reading	54%	21%	46%	79%	8%	15%
Writing	63%	33%	37%	67%	10%	0%
Numbers	59%	29%	41%	71%	12%	8%
Shape, Space, Measure	65%	29%	35%	71%	10%	6%
People, Communities	56%	17%	44%	83%	10%	2%
The World	59%	17%	41%	83%	12%	2%
Technology	59%	4%	41%	96%	12%	2%
Being imaginative	67%	17%	33%	83%	12%	2%
Exploring, media, materials	63%	19%	37%	81%	12%	2%

The three year performance of the percentage of pupils passing the year 1 national phonics test is consistently above national average. In 2015, pupils in Year 1 attained well above national expectation. Seven Year 2 pupils retook the screening test with six out of the seven passing.

	2013		Year 1 2014		2015	
	School	National	School	National	School	National
All pupils	90	69	91	74	87	77
Boys	85	65	88	70	94	73
Girls	96	73	94	78	79	81

	2013		Year 2 Cumulative 2014		2015	
	School	National	School	National	School	National
All pupils	-	-	-	-	98	90
Boys	-	-	-	-	100	88
Girls	-	-	-	-	97	92

Report of the Governors
for the Year Ended 31 August 2015

ACHIEVEMENT AND PERFORMANCE

Achievements and Performance

In 2015 results in KS1 remained broadly in line with national averages for all areas. Three year Key stage 1 attainment data in terms of APS shows the attainment of pupils is broadly in line with national averages in reading, writing and maths. This shows good progress from starting points at Key Stage 1.

Reading KS1	2c+	2b+	2a+	3+	Maths KS1	2c+	2b+	2a+	3+
2014	94%	90%	69%	29%	2014	94%	85%	54%	15%
2015	92%	87%	56%	20%	2015	90%	80%	49%	18%
National 2014	90%	81%	57%	31%	National 2014	92%	80%	53%	24%

Writing KS1	2c+	2b+	2a+	3+	Attainment	R APS	W APS	M APS
2014	92%	87%	40%	13%	2013	16.7	15.3	15.7
2015	90%	89%	41%	10%	2014	17.1	15.8	16.2
National 2014	86%	70%	39%	16%	2015	16.3	15.2	16.0
					National 2014	16.5	15.1	16.2

- * At KS2 APS shows a three year upward trend in reading, writing and mathematics.
- * All subjects overall were significantly below the national average in 2012, now in 2015 they are significantly above.
- * In 2015 all subjects overall reading, writing, EGPS were significantly above the national average in APS. EGPS results were significantly above average in 2014 and 2015

Key Stage 2 - Average Point Score Year 6 SATS

APS	Reading APS	Writing APS	SPAG APS	Maths APS
2013	29.4	28	28.9	28.2
2014	29.8	28.4	31.1	30.5
2015	30.3	29.7	31.9	30.3
National 2014	29	27.9	28.6	29

KS2 Attainment 2015

Reading	Level 4	Level 4b	Level 5	Level 6
2014	95	76	53	0
2015	100	84	60	0
National 2014	89	78	49	1

Writing

	Level 4	Level 5	Level 6
2014	89	32	3
2015	98	42	4
National 2014	85	33	2

SPAG

	Level 4	Level 4b	Level 5	Level 6
2014	82	79	66	21
2015	98	93	76	9
National 2014	76	68	52	4

Maths

	Level 4	Level 4b	Level 5	Level 6
2014	89	82	47	21
2015	89	76	47	20
National 2014	86	76	42	12

ACHIEVEMENT AND PERFORMANCE

Achievements and Performance

To ensure that achievement continues to remain above national averages in the academy and that all Pupils make at least expected progress, with a significant amount of pupils making more than expected progress the Academy will:

- Monitor the progress of pupils each term
- Implement intervention and support for pupils who are not making expected progress focusing on identified areas of development within the academy
- Implement intervention and support for pupils who are attaining below age expected outcomes.
- Implement intervention and support for pupils who need to be challenged to attain the highest levels
- Monitor the attainment of all pupils
- Monitor the attainment and progress of significant groups of pupils with the academy
- Monitor and support the needs of pupil premium and disadvantaged pupils

Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Key financial performance indicators

These are covered throughout the Governors' Report.

FINANCIAL REVIEW

Financial Review

The 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 are shown as restricted funds in the statement of financial activities.

The Academy also receives grants for fixed assets from the DfE in accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such 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 useful life of the assets concerned as defined in the Academy's accounting policies.

During the year ended 31 August 2015, total expenditure of £1,348,591 (2014: £1,278,764) was covered by recurrent grant funding from the DfE together with other incoming resources. The total net resources expended before transfers and revaluations for the year was £108,390 (2014: £40,783).

At 31 August 2015, the net book value of fixed assets was £2,333,577 (2014: £2,169,834) and movements in tangible fixed assets are shown in the notes to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Financial and Risk Management Objectives and Policies

The School has agreed a Risk Management strategy, a Risk register and a risk management plan. These have been discussed by governors and include the financial risks to the school. The register and plan are constantly reviewed in light of any new information and formally reviewed annually.

FINANCIAL REVIEW

Principal Risks and Uncertainties

The Governors consider that the principal risks and uncertainties facing the Academy are:

- Meeting requisite standards of education for students in core subjects
- Complying with legislative requirements regarding employment law, data protection, discrimination, Companies House and HMRC, child protection, the Charity Commission and the National Curriculum.
- Financial risk - not operating within its budget and running a deficit, changes in funding, inappropriate or insufficient financial controls and systems, fraudulent activity and/or financial commitments made without adequate authorisation.
- Operational risks resulting from inexperienced or inappropriate staff being employed and inaccurate, out of date or inappropriate information.

The key controls used by the Academy include:

- Detailed terms of reference for all committees
- Formal agendas for the Academy board and committees
- Schemes of delegation and formal financial regulations
- Formal written policies
- Clear authorisation and approval levels
- Policies and procedures required by law to protect the vulnerable

Investment and Reserves policy and objectives

The governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Academy's current level of reserves (total funds less the amount held in fixed assets and restricted funds) is £33,720 (2014: £11,220), all of which is free reserves. The level of general restricted reserves is £662,453 (2014: £442,818).

Any excess monies are put on short-term deposits to obtain the best returns possible.

FUTURE DEVELOPMENTS

The Academy will continue to improve the performance of its pupils at all levels and will continue to ensure that pupils have the best start to their education.

Increases in population will be up to the size of 420. This will occur within the next 5 years.

Full details of our plans for the immediate development of the school are in the School Improvement Plan.

AUDITORS

The auditors, Thorne Widgery Accountancy Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Governors report, incorporating a strategic report, was approved by order of the governors, as the company directors, on and signed on its behalf by:

.....
Cllr P A Andrews - Governor

Governance Statement
for the Year Ended 31 August 2015

Scope of Responsibility

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

The board of the governors has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Holmer Church Of England Academy and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

Governance

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

		Meetings Attended	Out of a Possible
Trustee			
Mr C Bramble	Community	2	6
Rev S Lee	Ex Officio	5	6
Mrs M Hillman	Foundation	6	6
Mrs J Cecil	Head Teacher	3	4
Cllr P Andrews	Local Authority	5	6
Mrs R Vodden	Foundation	5	6
Mrs J Brandreth	Teacher	6	6
Miss E Stackhouse	Non-teaching staff	4	6
Mrs C Hartland	Foundation	5	6
Mrs S Eckley	Parent	5	6
Mr A Banks	Parent	6	6
Mrs J Maund	Head Teacher	6	6
Mr A Wibmer	Co-opted	6	6
Mr C Pinches	Parent	5	6

The **Finance and General Purposes Committee** is a sub-committee of the main Governing Body. Attendance at meetings in the year was as follows:

		Meetings Attended	Out of a Possible
Trustee			
Mrs J Cecil	Head Teacher	2	2
Mr C Bramble	Chairman	1	3
Miss E Stackhouse	Non-teaching staff	3	3
Cllr P Andrews	Governor	2	3
Mr C Pinches	Parent	3	3
Mrs J Maund	Head Teacher	3	3

Governance Review

The Academy reviews the skills set of the Governors to ensure a board range of knowledge/expertise is represented.

Review of Value for Money

As accounting officer the principal has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each 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:

Improving educational results

We have ensured that resources are directed towards improving educational opportunities for all our children by:

- Funding support for the provision of daily reading
- Providing the best possible teaching and support staff in all areas
- Targeting support to assist the achievement of all individuals and all groups of pupils
- Tracking and reviewing all pupil progress and ensuring that interventions are smart, effective and resulting in progress.
- Pupil premium spending has resulted in Narrowing the Gap and improved outcomes, this is illustrated by the report on our website
- Collaborating with a soft federation of schools to acquire bespoke cpd for staff
- KS2 value added was broadly average or above in all subjects
- KS2 value added in all subjects was broadly average or above for disadvantaged pupils and those who have special educational needs
- From at least 5 out of every 6 starting points, the proportions of KS2 pupils making and exceeding expected progress in reading, in writing & in mathematics were close to or above national figures.
- From at least 5 out of every 6 starting points, the proportion of disadvantaged KS2 pupils making and exceeding expected progress in reading, in writing & in mathematics was similar to that of other pupils nationally.
- The proportion of disadvantaged KS2 pupils that attained at least Level 4 was equal to or above the national figure for other pupils in reading.
- The proportion of Year 1 pupils that met the expected standard in phonics was above the national figure.

The effectiveness of these strategies was confirmed by our Raise online data and pupil tracking.

Financial governance and oversight

Our governance and oversight are strong and include regular contact with our accountants and scrutiny of the financial position at 3 meetings of the Finance Committee per year:

- Regular monitoring of accounts takes place by the finance committee
- Spending proposals are costed and compared to ensure best value and then considered by the finance committee
- The budget position is discussed regularly to ensure decisions are made after considering the short and long term view
- Contracts are renegotiated where possible and collaboration with other schools ensure economies of scale and best value.
- Purchasing decisions are always based on requests for discounts and challenging providers to provide a best price.
- Contracts are reviewed and compared with other options before renewal
- School decisions are benchmarked against options available to other schools locally
- Through prudent and cost effective spending the school is in a position to make further spending on buildings improvement
- Some income is acquired by various lettings and holiday clubs.

Review of Value for Money

New initiatives

- Hosting our local ICT curriculum consultant and providing a venue for training will provide increased CPD opportunities for the school
- Offering holiday club facilities through 84% of school holidays will improve our offer to stakeholders
- The school has recognised increasing demand for places and prudently made bids to provide additional accommodation through the CMF and has built two new classrooms and renovated its Victorian buildings as a consequence. Further development has been made increasing learning space through creating a learning library and improving security at main entrance.
- Improving the provision of Music throughout the school through partnership Herefordshire Encore Music Services offering wider opportunities music lessons enabling children to learn to play a musical instrument.

Future objectives

- To evaluate the roles of the current Leadership Structure and increase or restructure the senior leadership group to make a team with the capacity to support the school as it expands
- The school is in a position to use its capital to benefit the pupils and needs to ensure spending meets the needs of current pupils, provides financial security for the future and ensure that levels of staffing can be maintained in the long term.
- Investment of surplus balances while waiting to start building projects is an area to develop this year
- Review of Risk Register in the current financial year.

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 Holmer Church Of England Academy for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of governors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors 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 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body.
- regular reviews by the 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;

The Risk and Control Framework

- delegation of authority and segregation of duties;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed Andrew Banks, a Governor, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

Review of Effectiveness

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

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

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

Approved by order of the members of the board of governors on and signed on its behalf by:

.....
Cllr P A Andrews - Governor

.....
Mrs R J Maund - Accounting Officer

Holmer Church Of England Academy

Statement on Regularity, Propriety and Compliance
for the Year Ended 31 August 2015

As accounting officer of Holmer Church Of England Academy I have considered my responsibility to notify the academy trust board of governors 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 governors are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook.

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

.....
Mrs R J Maund - Accounting Officer

Date:

Statement of Governors Responsibilities
for the Year Ended 31 August 2015

The governors (who act as trustees of Holmer Church Of England Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Governors and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2005;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy trust will continue in business.

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

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

In so far as the governors are aware:

- there is no relevant audit information of which the academy trust's auditors are unaware; and
- the governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Governors report, incorporating a strategic report, was approved by order of the governors, as the company directors, on and signed on its behalf by:

.....
Cllr P A Andrews - Governor

We have audited the financial statements of Holmer Church of England Academy 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 Accounts Direction 2014 to 2015 issued by the Education Funding Agency (EFA).

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditors

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

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Mr Kevin Tong FCCA ACA (Senior Statutory Auditor)
for and on behalf of Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date:

Note:

The maintenance and integrity of the Holmer Church Of England Academy website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Independent Reporting Accountant's Assurance Report on Regularity to
Holmer Church Of England Academy and the Education Funding Agency

In accordance with the terms of our engagement 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 Holmer Church Of England Academy during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Holmer Church Of England Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Holmer Church Of England Academy's funding agreement with the Secretary of State for Education 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 period 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw our conclusions includes:

- detailed testing of a sample of items of income and expenditure to ensure appropriately applied for the purposes intended
- specific testing, on a sample basis, of system controls relevant to the above
- a general review of correspondence with the appropriate authorities regarding Academy governance matters during the year
- a general review and discussion of the Academy's internal procedures for establishing and maintaining systems of control and documentation regarding these matters

Independent Reporting Accountant's Assurance Report on Regularity to
Holmer Church Of England Academy and the Education Funding Agency

This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion.

Without qualifying our opinion, we would like to refer to the related and connected party transactions highlighted in note 21 in the attached accounts.

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 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Thorne Widgery Accountancy Ltd
Chartered Accountants
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date:

Holmer Church Of England Academy

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 August 2015

		Unrestricted General fund	Restricted Fixed Assets	Restricted General Fund	31.8.15 Total funds	31.8.14 Total funds
	Notes	£	£	£	£	£
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	3	2,880	7,926	28,829	39,635	34,250
Activities for generating funds	4	36,619	-	-	36,619	27,236
Investment income	5	564	-	-	564	556
Incoming resources from charitable activities						
Academy's educational operations	6	-	-	1,451,945	1,451,945	1,313,636
Total incoming resources		40,063	7,926	1,480,774	1,528,763	1,375,678
RESOURCES EXPENDED						
Charitable activities						
Academy's educational operations	8	17,563	54,783	1,332,005	1,404,351	1,312,362
Governance costs	9	-	-	9,023	9,023	22,533
Total resources expended	7	17,563	54,783	1,341,028	1,413,374	1,334,895
NET INCOMING RESOURCES		22,500	(46,857)	139,746	115,389	40,783
Other recognised gains/losses						
Actuarial gains/losses on defined benefit schemes		-	-	(7,000)	(7,000)	(53,000)
Net movement in funds		22,500	(46,857)	132,746	108,389	(12,217)
RECONCILIATION OF FUNDS						
Total funds brought forward		11,220	2,193,924	349,708	2,554,852	2,567,069
TOTAL FUNDS CARRIED FORWARD		33,720	2,147,067	482,454	2,663,241	2,554,852

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.

The notes form part of these financial statements

Balance Sheet
At 31 August 2015

	Notes	31.8.15 £	31.8.14 £
FIXED ASSETS			
Tangible assets	13	2,333,577	2,169,834
CURRENT ASSETS			
Stocks		604	432
Debtors	14	73,445	54,364
Cash at bank and in hand		<u>529,202</u>	<u>618,306</u>
		603,251	673,102
CREDITORS			
Amounts falling due within one year	15	(93,587)	(125,084)
NET CURRENT ASSETS		<u>509,664</u>	<u>548,018</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,843,241	2,717,852
PENSION LIABILITY	19	(180,000)	(163,000)
NET ASSETS		<u>2,663,241</u>	<u>2,554,852</u>
FUNDS	18		
Unrestricted funds:			
Unrestricted General fund		33,720	11,220
Restricted funds:			
General Annual Grant		488,698	356,576
Other Restricted		152,873	148,328
Other DfE/EFA grants		20,883	7,804
Restricted Pension Fund		(180,000)	(163,000)
DfE/YPLA Capital Grants		702,869	732,524
Conversion and Depreciation		<u>1,444,198</u>	<u>1,461,400</u>
		2,629,521	2,543,632
TOTAL FUNDS		<u>2,663,241</u>	<u>2,554,852</u>

Balance Sheet - continued

At 31 August 2015

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved and authorised for issue by the Board of Governors on and were signed on its behalf by:

.....
Cllr P A Andrews -Governor

Holmer Church Of England Academy

Cash Flow Statement
for the Year Ended 31 August 2015

		31.8.15 £	31.8.14 £
Net cash inflow from operating activities	Notes 1	120,932	153,951
Returns on investments and servicing of finance	2	564	556
Capital expenditure and financial investment	2	(210,600)	(155,893)
Decrease in cash in the period		<u>(89,104)</u>	<u>(1,386)</u>

Reconciliation of net cash flow to movement
in net debt

	3		
Decrease in cash in the period		<u>(89,104)</u>	<u>(1,386)</u>
Change in net debt resulting from cash flows		<u>(89,104)</u>	<u>(1,386)</u>
Movement in net debt in the period		(89,104)	(1,386)
Net debt at 1 September		<u>618,306</u>	<u>619,692</u>
Net debt at 31 August		<u>529,202</u>	<u>618,306</u>

Notes to the Cash Flow Statement
for the Year Ended 31 August 2015

1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.8.15 £	31.8.14 £
Net incoming resources	115,389	40,783
Depreciation charges	54,783	54,131
Capital grants from DfE/EFA	(7,926)	(7,668)
Interest received	(564)	(556)
Increase in stocks	(172)	(79)
(Increase)/decrease in debtors	(19,081)	4,978
(Decrease)/increase in creditors	(31,497)	60,362
Difference between pension charge and cash contributions	<u>10,000</u>	<u>2,000</u>
Net cash inflow from operating activities	<u>120,932</u>	<u>153,951</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31.8.15 £	31.8.14 £
Returns on investments and servicing of finance		
Interest received	<u>564</u>	<u>556</u>
Net cash inflow for returns on investments and servicing of finance	<u>564</u>	<u>556</u>
 Capital expenditure and financial investment		
Purchase of tangible fixed assets	(218,526)	(163,561)
Capital grants from DfE/EFA	<u>7,926</u>	<u>7,668</u>
Net cash outflow for capital expenditure and financial investment	<u>(210,600)</u>	<u>(155,893)</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.9.14 £	Cash flow £	At 31.8.15 £
Net cash:			
Cash at bank and in hand	618,306	(89,104)	529,202
Total	<u>618,306</u>	<u>(89,104)</u>	<u>529,202</u>

1. ACCOUNTING POLICIES

Basis of preparation

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

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the academy trust is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Grants receivable

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

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

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

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt.

Donations

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

Other income

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

Donated goods, facilities and services

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

1. ACCOUNTING POLICIES - continued

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities

These are costs incurred on the Academy Trust's educational operations.

Governance costs

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

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- 2% on cost
Fixtures and fittings	- 20% on cost
Computer equipment	- 33.3% on cost

Assets acquired at a cost over £1,000 are considered for capitalisation.

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

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

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

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1. ACCOUNTING POLICIES - continued

Taxation

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

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

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

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

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on 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 until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

2. GENERAL ANNUAL GRANT

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.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

3. VOLUNTARY INCOME

	Unrestricted funds £	Restricted funds £	31.8.15 Total funds £	31.8.14 Total funds £
Grants	-	7,926	7,926	7,668
School trips etc	-	22,986	22,986	23,881
Other grants and payments	<u>2,880</u>	<u>5,843</u>	<u>8,723</u>	<u>2,701</u>
	<u>2,880</u>	<u>36,755</u>	<u>39,635</u>	<u>34,250</u>

Grants received, included in the above, are as follows:

	31.8.15 £	31.8.14 £
Capital Grant	<u>7,926</u>	<u>7,668</u>

4. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds £	Restricted funds £	31.8.15 Total funds £	31.8.14 Total funds £
Room and building hire	7,207	-	7,207	4,536
Catering income	12,998	-	12,998	11,706
Sundry Income	<u>16,414</u>	<u>-</u>	<u>16,414</u>	<u>10,994</u>
	<u>36,619</u>	<u>-</u>	<u>36,619</u>	<u>27,236</u>

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.8.15 Total funds £	31.8.14 Total funds £
Deposit account interest	<u>564</u>	<u>-</u>	<u>564</u>	<u>556</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	31.8.15 Total funds £	31.8.14 Total funds £
DfE/EFA revenue grant				
General Annual Grant(GAG)	-	1,301,919	1,301,919	1,245,594
Other DfE/EFA Grants	-	138,789	138,789	59,582
	-	1,440,708	1,440,708	1,305,176
Other government grant				
Other Restricted	-	11,237	11,237	8,460
	-	1,451,945	1,451,945	1,313,636

7. RESOURCES EXPENDED

	Staff costs £	Non-pay expenditure Premises £	Other costs £	31.8.15 Total £	31.8.14 Total £
Charitable activities					
Academies educational operations					
Direct costs	883,635	15,202	141,095	1,039,932	1,009,696
Allocated support costs	109,270	48,458	206,691	364,419	302,666
	992,905	63,660	347,786	1,404,351	1,312,362
Governance costs including allocated support costs	-	-	9,023	9,023	22,533
	992,905	63,660	356,809	1,413,374	1,334,895

Net resources are stated after charging/ (crediting):

	31.8.15 £	31.8.14 £
Auditors' remuneration	7,013	17,500
Depreciation - owned assets	54,783	54,131
Operating leases	746	612

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

8. RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	31.8.15 Total funds £	31.8.14 Total funds £
Direct costs				
Teaching and educational support staff	-	883,635	883,635	873,787
Depreciation	-	15,202	15,202	15,202
Educational supplies	15,556	75,822	91,378	86,225
Staff development	-	8,751	8,751	10,861
Educational consultancy	-	30,966	30,966	21,621
Other direct costs	-	10,000	10,000	2,000
	15,556	1,024,376	1,039,932	1,009,696
Allocated support costs				
Support staff costs	-	109,270	109,270	115,253
Depreciation	-	39,581	39,581	38,929
Recruitment and support	-	2,588	2,588	2,908
Maintenance of premises and equipment	-	59,401	59,401	46,505
Cleaning	-	15,656	15,656	14,796
Rent and rates	-	4,974	4,974	4,733
Insurance	-	14,478	14,478	15,109
Catering	2,007	64,773	66,780	13,238
Other support costs	-	51,691	51,691	51,195
	2,007	362,412	364,419	302,666
	<u>17,563</u>	<u>1,386,788</u>	<u>1,404,351</u>	<u>1,312,362</u>

9. GOVERNANCE COSTS

	Unrestricted funds £	Restricted funds £	31.8.15 Total funds £	31.8.14 Total funds £
Auditors' remuneration	-	7,013	7,013	17,500
Legal and professional fees	-	2,010	2,010	5,033
	-	9,023	9,023	22,533

10. GOVERNORS' REMUNERATION AND BENEFITS

One or more governors has been paid remuneration or has received other benefits from an employment with the academy trust.

Headteacher and staff governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the Academy in respect of their role as governors. The value of governors' remuneration was as follows:

J Brandreth (Staff Governor):

Remuneration	£35,000 - £45,000	(2014: £nil)
Employers Pension Contribution	£0 - £5,000	(2014: £nil)

J Cecil (Head Teacher): (retired March '15)

Remuneration	£45,000 - £50,000	(2014: £75,000 - £80,000)
Employers Pension Contribution	£5,000 - £10,000	(2014: £5 - £10,000)

A Griggs (Staff Governor):

Remuneration	£nil	(2014: £40,000 - £45,000)
Employers Pension Contribution	£nil	(2014: £5,000 - £10,000)

R J Maund (Head Teacher):

Remuneration	£55,000 - £60,000	(2014: £50,000 - £55,000)
Employers Pension Contribution	£5,000 - £10,000	(2014: £0 - £5,000)

E Stackhouse (Staff Governor)

Remuneration	£10,000 - £15,000	(2014: £10,000 - £15,000)
Employers Pension Contribution	£0 - £5,000	(2014: £0 - £5,000)

During the year ended 31 August 2015, travel and subsistence expenses totalling £NIL (2014: £NIL) were reimbursed to the governors.

Other related party transactions involving the trustees are set out in the notes to the accounts.

Governors' expenses

There were no governors' expenses paid for the year ended 31 August 2015 nor for the year ended 31 August 2014.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

11. STAFF COSTS

	31.8.15	31.8.14
	£	£
Wages and salaries	829,443	822,965
Social security costs	48,025	48,658
Other pension costs	<u>101,957</u>	<u>104,625</u>
	979,425	976,248
Supply teacher costs	<u>13,480</u>	<u>12,792</u>
	<u><u>992,905</u></u>	<u><u>989,040</u></u>

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

	31.8.15	31.8.14
Teachers	15	16
Administration and support	17	16
Management	<u>1</u>	<u>2</u>
	<u><u>33</u></u>	<u><u>34</u></u>

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

	31.8.15	31.8.14
£70,001 - £80,000	<u>-</u>	<u>1</u>

None (2014: One) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £nil (2014: £9,865).

12. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 (2014: £1,000,000) on any one claim and the cost for the year ended 31 August 2015 was £402 (2014: £471)

The cost of this insurance is included in the total insurance cost.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

13. TANGIBLE FIXED ASSETS

	Long leasehold £	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 September 2014	1,499,684	625,187	48,976	85,648	2,259,495
Additions	-	215,882	-	2,644	218,526
At 31 August 2015	1,499,684	841,069	48,976	88,292	2,478,021
DEPRECIATION					
At 1 September 2014	41,806	11,843	14,790	21,222	89,661
Charge for year	15,202	12,204	8,685	18,692	54,783
At 31 August 2015	57,008	24,047	23,475	39,914	144,444
NET BOOK VALUE					
At 31 August 2015	1,442,676	817,022	25,501	48,378	2,333,577
At 31 August 2014	1,457,878	613,344	34,186	64,426	2,169,834

Included in cost or valuation of land and buildings is freehold land of £739,576 (2014 - £739,576)

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.15 £	31.8.14 £
VAT	28,679	21,555
Prepayments and accrued income	44,766	32,809
	73,445	54,364

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.15 £	31.8.14 £
Trade creditors	25,977	53,239
Social security and other taxes	24,363	28,157
Accruals and deferred income	<u>43,247</u>	<u>43,688</u>
	<u>93,587</u>	<u>125,084</u>

DEFERRED INCOME

	2015 £	2014 £
Resources deferred in the year	<u>35,816</u>	<u>38,314</u>

Income has been deferred based on the period to which it relates

£NIL	(2014:	£4,708)	has been deferred in relation to Pupil Premium Income
£35,816	(2014:	£33,606)	has been deferred in relation to Universal Infant Free School Meals Revenue Income

16. MEMBERS' LIABILITY

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

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted General fund	Restricted Fixed Assets	Restricted General Fund	31.8.15 Total funds £	31.8.14 Total funds £
	£	£	£	£	£
Fixed assets	-	2,333,577	-	2,333,577	2,169,834
Current assets	33,720	(186,510)	756,041	603,251	673,102
Current liabilities	-	-	(93,587)	(93,587)	(125,084)
Pension liability	-	-	(180,000)	(180,000)	(163,000)
	<u>33,720</u>	<u>2,147,067</u>	<u>482,454</u>	<u>2,663,241</u>	<u>2,554,852</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

18. MOVEMENT IN FUNDS

	At 1.9.14 £	Net movement in funds £	Transfers between funds £	At 31.8.15 £
Unrestricted funds				
Unrestricted General fund	11,220	22,500	-	33,720
Restricted funds				
General Annual Grant	356,576	132,122	-	488,698
Other Restricted	148,328	4,545	-	152,873
Other DfE/EFA grants	7,804	13,079	-	20,883
Restricted Pension Fund	(163,000)	(17,000)	-	(180,000)
DfE/YPLA Capital Grants	732,524	(29,655)	-	702,869
Conversion and Depreciation	1,461,400	(17,202)	-	1,444,198
	2,543,632	85,889	-	2,629,521
TOTAL FUNDS	<u>2,554,852</u>	<u>108,389</u>	<u>-</u>	<u>2,663,241</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted General fund	40,063	(17,563)	-	22,500
Restricted funds				
General Annual Grant	1,301,917	(1,169,795)	-	132,122
Other Restricted	40,068	(35,523)	-	4,545
Other DfE/EFA grants	138,789	(125,710)	-	13,079
DfE/YPLA Capital Grants	7,926	(37,581)	-	(29,655)
Restricted Pension Fund	-	(10,000)	(7,000)	(17,000)
Conversion and Depreciation	-	(17,202)	-	(17,202)
	1,488,700	(1,395,811)	(7,000)	85,889
TOTAL FUNDS	<u>1,528,763</u>	<u>(1,413,374)</u>	<u>(7,000)</u>	<u>108,389</u>

19. PENSION AND SIMILAR OBLIGATIONS

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

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

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

Contributions amounting to £12,765 were payable to the schemes at 31 August 2015 and are included within creditors (2014: £12,867)

19. PENSION AND SIMILAR OBLIGATIONS
- continued

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 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.

The pension costs paid to TPS in the period amounted to £84,067 (2014: £83,835).

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 trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

19. PENSION AND SIMILAR OBLIGATIONS
- continued

Local government pension scheme

The Academy is one of several employing bodies included within the Local Government Pension Scheme (LGPS).

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £23,411 (2014: £21,525), of which employer's contributions totalled £15,484 (2014: £15,090) and employees' contributions totalled £7,926 (2014: £6,435). The agreed contribution rates for future years are 10.8% 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.

As the scheme is in deficit, the School has entered into an agreement with the trustees to make additional contributions in addition to normal funding levels.

The rates payable over a six year period will be the Future Service Rate of 10.8% of payroll plus phased lump sum deficit contributions starting at £5,800 for the year to 31 March 2015, increasing by approximately 4% per annum. The rate payable from 1 April 2017 will be further revised following the next valuation of the Pension Fund on 31 March 2016.

The current estimated recovery period is 21 years.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	31.8.15	31.8.14
	£	£
Present value of funded obligations	(303,000)	(257,000)
Fair value of plan assets	<u>123,000</u>	<u>94,000</u>
	<u>(180,000)</u>	<u>(163,000)</u>
Deficit	<u>(180,000)</u>	<u>(163,000)</u>
Liability	<u>(180,000)</u>	<u>(163,000)</u>

19. PENSION AND SIMILAR OBLIGATIONS
- continued

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	31.8.15	31.8.14
	£	£
Current service cost	27,000	19,000
Interest cost	11,000	9,000
Expected return	<u>(6,000)</u>	<u>(5,000)</u>
	<u>32,000</u>	<u>23,000</u>
Actual return on plan assets	<u>(1,000)</u>	<u>7,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.8.15	31.8.14
	£	£
Defined benefit obligation	(257,000)	(170,000)
Current service cost	(27,000)	(19,000)
Contributions by scheme participants	(8,000)	(9,000)
Interest cost	(11,000)	(7,000)
Actuarial losses/(gains)	-	<u>(52,000)</u>
	<u>(303,000)</u>	<u>(257,000)</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.8.15	31.8.14
	£	£
Fair value of scheme assets	94,000	62,000
Contributions by employer	22,000	21,000
Contributions by scheme participants	8,000	7,000
Expected return	6,000	5,000
Actuarial gains/(losses)	<u>(7,000)</u>	<u>(1,000)</u>
	<u>123,000</u>	<u>94,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

19. PENSION AND SIMILAR OBLIGATIONS
- continued

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

	Defined benefit pension plans	
	31.8.15	31.8.14
Equities	89.3%	92.3%
Bonds - Other	6.1%	6.5%
Equities	1%	1.2%
Bonds - Government	0.1%	0%
Other	3.5%	0%

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

	31.8.15	31.8.14
Rate of increase in salaries	3.7%	3.7%
Discount rate for scheme liabilities	4%	4%
Inflation assumption (CPI)	2.2%	2.2%
Rate of increase for pensions in payment/inflation	2.2%	2.2%

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

	At 31 August 2015	At 31 August 2014
Retiring today		
Males	23.4	23.3
Females	25.8	25.7
Retiring in 20 years		
Males	25.6	25.5
Females	28.1	28.0

The estimated value of employers contributions for the year ended 31 August 2016 is £18,000.

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

	31.8.15 £	31.8.14 £	31.8.13 £
Defined benefit pension plans			
Defined benefit obligation	(303,000)	(257,000)	(170,000)
Fair value of scheme assets	123,000	94,000	62,000
Deficit	(180,000)	(163,000)	(108,000)
Experience adjustments on scheme liabilities	-	(18,000)	-
Experience adjustments on scheme assets	(7,000)	(1,000)	4,000

20. CONTINGENT LIABILITIES

There are no significant contingent liabilities that the Governors are aware of.

21. RELATED PARTY DISCLOSURES

Owing to the nature of the Academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

During the 12 month period to 31 August 2015 payments totalling £13,212 (2014: £36,169) to Marches IT Services Ltd, a company in which A Wibmer is a director and shareholder, for the provision of IT Services. At the year end a balance of £nil (2014: £nil) was due to / from Marches IT Services Ltd.

During the 12 month period to 31 August 2015 payments totalling £NIL (2014:£600) to T Cecil, the husband of J Cecil, a governor, for the provision of supply teaching services. At the year end a balance of £nil (2014: £nil) was due to / from T Cecil.

Holmer Church Of England Academy

Detailed Statement of Financial Activities
for the Year Ended 31 August 2015

	31.8.15 £	31.8.14 £
INCOMING RESOURCES		
Voluntary income		
Grants	7,926	7,668
School trips etc	22,986	23,881
Other grants and payments	<u>8,723</u>	<u>2,701</u>
	39,635	34,250
Activities for generating funds		
Room and building hire	7,207	4,536
Catering income	12,998	11,706
Sundry Income	<u>16,414</u>	<u>10,994</u>
	36,619	27,236
Investment income		
Deposit account interest	564	556
Incoming resources from charitable activities		
Grants	<u>1,451,945</u>	<u>1,313,636</u>
Total incoming resources	1,528,763	1,375,678
RESOURCES EXPENDED		
Charitable activities		
Wages	733,335	722,833
Social security	43,562	45,379
Pensions	93,258	92,783
Supply teacher costs	13,480	12,792
Educational supplies	91,378	86,225
Staff development	8,751	10,861
Educational consultancy	30,966	21,621
Long leasehold	15,202	15,202
Expected return on pension scheme assets	<u>10,000</u>	<u>2,000</u>
	1,039,932	1,009,696
Governance costs		
Auditors' remuneration	7,013	17,500
Legal and professional fees	<u>2,010</u>	<u>5,033</u>
	9,023	22,533
Support costs		

Holmer Church Of England Academy

Detailed Statement of Financial Activities
for the Year Ended 31 August 2015

	31.8.15 £	31.8.14 £
Management		
Wages	96,108	100,132
Social security	4,463	3,279
Pensions	8,699	11,842
Recruitment and support	2,588	2,908
Maintenance of premises and equipment	59,401	46,505
Cleaning	15,656	14,796
Rent and rates	4,974	4,733
Insurance	14,478	15,109
Catering	66,780	13,238
Improvements to property	12,204	11,843
Fixtures and fittings	8,685	8,684
Computer equipment	18,692	18,402
Other costs	51,691	51,195
	<u>364,419</u>	<u>302,666</u>
Total resources expended	1,413,374	1,334,895
	<u> </u>	<u> </u>
Net income	<u>115,389</u>	<u>40,783</u>