

SUMMERCROFT PRIMARY SCHOOL

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

SUMMERCROFT PRIMARY SCHOOL
(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 J Cutler (resigned 31 August 2015) Mrs C Hinstridge (appointed 20 October 2014) Mrs E Bailey (appointed 20 October 2014) Mr J O'Gorman (appointed 20 October 2014)
Trustees	Mrs J Cutler, Chair of Governors (resigned 31 August 2015) Mr T Winstanley, Vice Chair Of Governors (resigned 31 August 2015), Chair of Governors (appointed 1 September 2015) Mrs C Hinstridge, Headteacher Mr S Jess, Deputy Headteacher (appointed 24 September 2014) Mrs A Burns, Staff Governor Mrs J Gapper, Staff Governor (resigned 30 August 2015) Mrs E Bailey, Parent Governor Mr K Goodeve, Parent Governor Ms M Weir, Parent Governor (resigned 30 August 2015) Mrs J Anderson, Parent Governor Mr J O'Gorman, Parent Governor Miss S Evans, Staff Governor Mr M Kirby, Community Governor (appointed 6 October 2014) Mr M Piper, Parent Governor (appointed 13 February 2015) Mr S Watkins, Parent Governor (appointed 13 February 2015)
Company Secretary	Mrs R Smith
Leadership Team	Mrs C Hinstridge, Headteacher Mr S Jess, Deputy Headteacher Mrs C Bugg, Assistant Headteacher Mrs J Gapper, Senior Teacher Mrs H Smith, SENCO Mrs L Cruxon, Senior Teacher Miss K Mann, Senior Teacher
Chief Executive Officer	Mrs C Hinstridge
Registered and principal office	Plaw Hatch Close Bishop's Stortford Hertfordshire CM23 5BJ
Company registered number	07715667
Independent Auditors	Price Bailey LLP Chartered Accountants Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	NatWest 7 North Street Bishop's Stortford Hertfordshire CM23 2JT

SUMMERCROFT PRIMARY SCHOOL
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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 Auditors' Report of Summerville Primary Academy Trust (the Charitable Company, the Academy or the Trust) for the year ended 31 August 2015. The Annual Report also serves the purpose of both a Trustees' Report, and a Directors' Report under company law.

The Charitable Company operates an Academy for pupils aged 3 - 11 serving the catchment area of Bishop's Stortford East. It has a pupil capacity of 480 and a roll of 472 in the January 2015 school census.

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 its primary governing documents. The Trustees of the Charitable Company are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable. The Charitable Company is also known as Summerville Primary School (The School).

Details of the Trustees who served throughout the year are included in the Reference and Administrative Details section on page 1.

Member's 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.

Trustee and Officers' Indemnities

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 £10,000,000 on any one claim and details of the costs are disclosed in Note 12 to the accounts.

Method of recruitment and appointment or election of Trustees

Governors are appointed in accordance with the Articles of Association. Governors can be appointed by the Members who may also appoint Staff Governors. Parent Governors are elected by parents of registered pupils. The Governors can appoint one co-opted Governor.

Policies and Procedures adopted for the induction and training of Trustees

New Trustees are first invited to tour the School and meet with pupils and staff. A Trustees' handbook, which is issued to all new Trustees, outlines the job description and roles and responsibilities. It includes the Trustee visits policy and procedure for monitoring and recording of visits. All new Trustees attend a Trustee induction programme and there is on-going training with an external provider. There is a Trustee for safeguarding, an SEN Trustee, a CLA Trustee and a training and development Trustee.

Organisational Structure

The governance of the Academy is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Board of Trustees, which meets on at least 3 occasions per year, is responsible for the strategic direction of the Academy. The Board of Trustees reviews progress towards educational objectives and results. They also approve major expenditure requests, set the budget for the following year, and set the organisational staffing structure, agree the performance objectives of the Headteacher (with External Validation), and reviews them.

The Headteacher is the designated Accounting Officer of the Academy and has overall responsibility for the day to day financial management of the Charitable Company. The Headteacher has delegated responsibility for low values of expenditure to specific budget holders who are each responsible for managing their own departments within the constraints of their allocated budgets. A system of financial controls is in place to manage this process.

The Headteacher manages the Academy on a daily basis supported by a Leadership Team (LT). The LT meets frequently to discuss emerging matters and to help to develop strategies for future development. Each member of the LT has specific responsibilities to assist the Headteacher to manage certain aspects of the Academy.

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

Connected Organisations and Related Parties

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 Trustee 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. Any transactions where the Trustee has a pecuniary interest is only undertaken in accordance with the 'at cost' principle stated in the Academies Financial Handbook.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and aim of the Charitable Company is the operation of Summernote Primary School to provide free education and care for pupils of different abilities between the ages of 3 and 11.

Objectives, Strategies and Activities

During the year the School has worked towards achieving these aims by:

- ensuring that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- raising the standard of educational achievement of all pupils;
- improving the effectiveness of the School by keeping the curriculum and organisational structure under continual review;
- providing value for money for the funds expended;
- complying with all appropriate statutory and curriculum requirements;
- conducting the Academy's business in accordance with the highest standards of integrity;
- by ensuring that all staff have access to high quality Continuing Professional Development (CPD);
- updating ICT resources to enhance teaching and learning;
- allocating Pupil Premium and Sports Premium funding to support the accelerated progress of vulnerable pupils;
- working with outside agencies to secure specialised support for pupils with specific needs and their families;
- using new initiatives to engage hard to reach families;
- ensuring that term time holidays requested by parents are challenged to maintain high levels of attendance across the School; and
- maintaining high levels of support staff.

At Summernote Primary School we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. We achieve this by:

- having a high level of music tuition across the school and participating in local and national events for example: singing at the Albert Hall and the O2 arena, Yr. 2 Schools Music Festival at Rhodes Centre, Yr. 4 Music Festival at Barnabas Centre and Yr. 6 choir at St. Michael's Christmas carol service;
- making links with local churches and places of worship for other world faiths;
- encouraging leadership qualities within our pupils such as House Captains, Eco Committee, Librarians;
- inviting authors to School to inspire young writers;
- participating in events beyond our school such as the Festival of Literature, STAGE network events, Primary Maths Challenge and Chess challenge;
- arranging termly visits for pupils to bring alive aspects of their curriculum;
- residential trips in key stage 2 to encourage independence, team building skills and risk taking;
- enhancing outside provision, including Forest Schools, to promote learning in different settings;
- having values based themes for assemblies to promote community cohesion;
- competing and celebrating success in sporting achievements across the School via our Sports Partnership with Birchwood School; and
- maintaining close links with families to work as a partnership to capitalise on all learning opportunities.

Public Benefit

The Trustees believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

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

STRATEGIC REPORT

Achievements and performance 2015

EYFS Early Learning Goals 48% achieved a Good Level of Development (GLD)
Year 1 Phonics screening 93% of children were working at the required level.

Key Stage 1	2015 Teacher Assessments	
	Reading	
	L2+ 95% (LA 93%)	L3+ 37% (LA 37%)
	Writing	
	L2+ 92% (LA 90%)	L3+ 27% (LA 24%)
	Maths	
	L2+ 98% (LA 93.5%)	L3+ 40% (LA 32%)
	Science	
	L2+ 98% (LA 94%)	L3+ 32% (LA 27%)

Key Stage 2	2015 Results	
	GPS (Grammar, Punctuation and Spelling)	
	L4+ 82% (LA 83%)	L5+ 65% (LA 61%)
	Reading	
	L4+ 95% (LA 92%)	L5+ 67% (LA 57%)
	Writing – teacher assessment	
	L4+ 92% (LA 90%)	L5+ 40% (LA 42%)
	Maths	
	L4+ 93% (LA 89%)	L5+ 47% (LA 47%)
	Science	
	L4+ 88%	L5+ 28%

LA = Local Authority

Percentage of children making two levels progress in Reading 93%, Writing 90% and Maths 97% which is below national median for writing, in line for Reading and above in Maths.

Key Performance Indicators

The Trustees receive monthly information to enable them to monitor the performance of the School compared to aims, strategies and financial budgets.

As funding is based on pupil numbers this is a key performance indicator. Pupil numbers for 2015 were 472 (2014: 472). Another key financial performance indicator is staffing costs as a percentage of total income. For 2014/15 this was 75.1% (2013/14 80.9%).

Going concern

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

FINANCIAL REVIEW

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the EFA. For the year ended 31 August 2015 the Trust received £ 1,454,466 of GAG and other funding (2014: £1,401,890) NB This increase in funding is due to the introduction of the Universal Infant Free School Meals grant. A high percentage of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education.

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

Reserves policy

The Trustees are aware of the requirement to balance current and future needs. They always aim to set a balanced budget with annual income balancing annual expenditure.

The cash balance of the Trust has been reasonably healthy all year, but this is mainly due to the fact that pension and HRMC salary payments are not made until the following month. The Academy had a cash balance of £181,256 at the end of the year (2014 £28,013).

Due to the accounting rules for the Local Government Pension Scheme under FRS17, the Academy is recognising a significant pension fund deficit of £471,000. This does not mean that an immediate liability for this amount crystallises and that such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees maintain a risk register identifying the major risks to which the Academy is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk management process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Finance Committee meeting. The principal risks facing the Trust are outlined below; those facing the School at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the EFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an academy school, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and this is relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- the Academy has considerable reliance on continued Government funding through the EFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms;
- failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed;
- safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline;
- staffing - the success of the Academy is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning; and
- fraud and mismanagement of funds - The Academy has appointed an Internal Auditor to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area;

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

PLANS FOR FUTURE PERIODS

The KS2 staff toilets were refurbished in August 2015 - financed from the Devolved Formula Capital Grant. Plans for the future include increasing the size of the dining area and kitchen, refurbishment of the KS1 staff toilets, resurfacing of the remaining playgrounds (the KS2 playground was resurfaced in September 2015) and increasing the areas for family meetings.

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

PROVISION OF INFORMATION TO AUDITORS

Insofar as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's Auditors are unaware, and;
- the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information;

The Auditors, Price Bailey LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' Report, incorporating a Strategic Report was, approved by the Board of Trustees, on 10 December 2015 and signed on its behalf by:

Mr T Winstanley
Chair of Governors

SUMMERCROFT PRIMARY SCHOOL
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The 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 Summercroft Primary School 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 C Hinstridge	3	4
Mrs J Cutler	3	4
Mr T Winstanley	3	4
Mrs J Anderson	4	4
Mrs E Bailey	4	4
Mrs A Burns	4	4
Miss S Evans	4	4
Mrs J Gapper	4	4
Mr K Goodeve	3	4
Mr S Jess	3	3
Mr M Kirby	3	3
Mr J O'Gorman	4	4
Mr M Piper	1	2
Mr S Watkins	1	2
Ms M Weir	4	4

Governance reviews:

A working party was set up to review the work expected of new members of the Board of Trustees. Expectations, Board structure, job descriptions and committees' terms of reference were all reviewed. In Spring 2015 an external review of the Board of Trustees will be carried out by Herts for Learning.

The Finance and Resources Committee is a sub-committee of the Board of Trustees. Its purpose is to address financial and staff related matters.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr K Goodeve	3	4
Mr T Winstanley	4	4
Ms M Weir	3	4
Mrs J Cutler	3	4
Mrs C Hinstridge	4	4
Mr J O'Gorman	3	4

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GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headteacher has responsibility for ensuring that the 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 Trust has delivered improved value for money during the year by:

- Following a benchmarking exercise the Academy has been working to reduce the number of education support staff by not replacing staff when they leave, thus bringing the Academy into line with other academies of a similar size.
- The contract for the lease of one of the photocopiers was renewed with a 50% saving (£2,500 pa).
- From September 2015 the Academy has opted into the EFA's Risk Protection Arrangement for insurance, achieving a saving of approximately £5,000 per annum.
- Increased income generated through additional lettings
- Improving purchasing by further research and taking advantage of discounts offered
- Collaborating with an Education in Partnership school has resulted in redeployment of teaching assistants to run intervention programmes for Mathematics during afternoon sessions
- Liaising with a local secondary school has resulted in improved outcomes for able Mathematicians due to accelerated learning by specialist teachers
- Hosting events at school has resulted in free training places for staff

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 Summerville Primary School for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the Annual Report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key 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 ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

The Academy'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 Resources 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.

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GOVERNANCE STATEMENT (continued)

The Board of Trustees has considered the need for a specific internal audit function and has appointed an Internal Auditor (IA), Mrs Julie Goodeve, who is suitably qualified.

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

- Checking a sample of income was recorded correctly
- Making a physical check of capitalised assets
- Checking that the budget forecast had been signed off and submitted correctly
- Checking the expenditure authorisation limits
- Checking a sample of payroll payments

On a termly basis, the IA reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The Internal Auditor carried out her schedule of work as planned and all recommendations from these reports have been implemented. No material issues have arisen.

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 controls put in place by the Accounting Officer;
- the work of the Internal Auditor;
- the work of the external Auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy 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 Resources Committee and a plan to ensure continuous improvement of the system is in place.

Approved by the Board of Trustees on 10 December 2015 and signed on their behalf, by:

Mr T Winstanley
Chair

Mrs C Hintridge
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Summernote Primary School I have considered my responsibility to notify the 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 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 (2014).

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

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

Mrs C Hintridge
Accounting Officer

Date: 15 December 2015

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TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees (who act as Governors for Summerville Primary School and are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with the Annual Accounts Requirements issued by the EFA, United Kingdom Accounting Standards (UK GAAP) 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 the Board of Trustees on 10 December 2015 and signed on its behalf by:

Mr T Winstanley
Chair

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUMMERCROFT PRIMARY SCHOOL

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

This report is made solely to the Academy's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006.. Our audit work has been undertaken so that we might state to the Academy's Members those matters we are required to state to them in an 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 and its Members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (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'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, incorporating the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUMMERCROFT PRIMARY SCHOOL

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Gary Miller (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT
15 December 2015

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

In accordance with the terms of our engagement letter dated 20 August 2013 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 Summerville Primary School during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The Accounting Officer is responsible, under the requirements of Summerville Primary School's funding agreement with the Secretary of State for Education dated 21 March 2011, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Consideration and corroboration of the evidence supporting the Accounting Officers' statement on regularity, propriety and compliance.
- Evaluation of the general control environment of the Trust, extending the procedures required for financial statements to include regularity.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate.

SUMMERCROFT PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

CONCLUSION

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

Gary Miller (Reporting Accountant)

Price Bailey LLP

Chartered Accountants

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

15 December 2015

SUMMERCROFT PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	-	50,394	-	50,394	54,980
Activities for generating funds	3	95,653	37,176	-	132,829	152,634
Investment income	4	253	-	-	253	553
Incoming resources from charitable activities		-	1,744,652	117,843	1,862,495	2,171,032
TOTAL INCOMING RESOURCES		95,906	1,832,222	117,843	2,045,971	2,379,199
RESOURCES EXPENDED						
Charitable activities		53,735	1,840,537	217,101	2,111,373	2,495,305
Governance costs	8	-	7,685	-	7,685	7,185
TOTAL RESOURCES EXPENDED	6	53,735	1,848,222	217,101	2,119,058	2,502,490
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS						
		42,171	(16,000)	(99,258)	(73,087)	(123,291)
Transfers between funds	16	(13,984)	-	13,984	-	-
NET EXPENDITURE FOR THE YEAR		28,187	(16,000)	(85,274)	(73,087)	(123,291)
Actuarial gains and losses on defined benefit pension schemes		-	(16,000)	-	(16,000)	(28,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		28,187	(32,000)	(85,274)	(89,087)	(151,291)
Total funds at 1 September 2014		26,952	(439,000)	2,341,099	1,929,051	2,080,342
TOTAL FUNDS AT 31 AUGUST 2015		55,139	(471,000)	2,255,825	1,839,964	1,929,051

All activities relate to continuing operations.

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

The notes on pages 19 to 34 form part of these financial statements.

SUMMERCROFT PRIMARY SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07715667

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	13		2,255,825		2,341,099
CURRENT ASSETS					
Debtors	14	24,052		198,327	
Cash at bank and in hand		181,256		28,013	
		<u>205,308</u>		<u>226,340</u>	
CREDITORS: amounts falling due within one year	15	(150,169)		(199,388)	
		<u> </u>	55,139	<u> </u>	26,952
NET CURRENT ASSETS			<u>55,139</u>		<u>26,952</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,310,964		2,368,051
Defined benefit pension scheme liability	22		(471,000)		(439,000)
			<u> </u>		<u> </u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>1,839,964</u>		<u>1,929,051</u>
FUNDS OF THE ACADEMY					
Restricted funds :					
Restricted funds excluding pension liability		2,255,825		2,341,099	
Pension reserve		(471,000)		(439,000)	
		<u> </u>	1,784,825	<u> </u>	1,902,099
Total restricted funds			1,784,825		1,902,099
Unrestricted funds	16		55,139		26,952
			<u> </u>		<u> </u>
TOTAL FUNDS			<u>1,839,964</u>		<u>1,929,051</u>

The financial statements were approved by the Trustees, and authorised for issue, on 10 December 2015 and are signed on their behalf, by:

Mr T Winstanley
Chair

The notes on pages 19 to 34 form part of these financial statements.

SUMMERCROFT PRIMARY SCHOOL
(A Company Limited by Guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	18	166,974	(287,390)
Returns on investments and servicing of finance - interest	19	253	553
Capital expenditure and financial investment	19	(13,984)	(10,565)
INCREASE/(DECREASE) IN CASH IN THE YEAR		153,243	(297,402)

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

	2015 £	2014 £
Increase/(decrease) in cash in the year	153,243	(297,402)
MOVEMENT IN NET FUNDS IN THE YEAR	153,243	(297,402)
Net funds at 1 September 2014	28,013	325,415
NET FUNDS AT 31 AUGUST 2015	181,256	28,013

The notes on pages 19 to 34 form part of these financial statements.

**SUMMERCROFT PRIMARY SCHOOL
(A Company Limited by Guarantee)**

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice, 'Accounting and Reporting by Charities' published in March 2005 (SORP), the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

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 DfE.

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 in the restricted fixed asset fund.

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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.

SUMMERCROFT PRIMARY SCHOOL
(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.

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

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

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

Tangible fixed assets are stated at cost less depreciation. Depreciation on tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	22 years straight line
Freehold land	-	125 years straight line
Fixtures and fittings	-	10-15 years straight line
Computer equipment	-	3-10 years straight line

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.

SUMMERCROFT PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.9 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, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), and the assets are held separately from those of the Academy.

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

The 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 adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

2. OTHER VOLUNTARY INCOME

	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	50,394	50,394	54,480
Grants	-	-	500
	<hr/>	<hr/>	<hr/>
Voluntary income	<u>50,394</u>	<u>50,394</u>	<u>54,980</u>

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Hire of facilities	31,046	9,247	40,293	34,870
Catering income	57,857	-	57,857	82,126
Other income	6,750	27,929	34,679	35,638
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>95,653</u>	<u>37,176</u>	<u>132,829</u>	<u>152,634</u>

SUMMERCROFT PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest	253	253	553
	<u>253</u>	<u>253</u>	<u>553</u>

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA grants			
General Annual Grant (GAG)	1,454,466	1,454,466	1,401,980
Other DfE / EFA grants	316,492	316,492	672,453
	<u>1,770,958</u>	<u>1,770,958</u>	<u>2,074,433</u>
Other government grants			
Local authority grants	91,537	91,537	96,599
	<u>91,537</u>	<u>91,537</u>	<u>96,599</u>
	<u>1,862,495</u>	<u>1,862,495</u>	<u>2,171,032</u>

6. RESOURCES EXPENDED

	Staff costs 2015 £	Premises 2015 £	Premises Other costs 2015 £	Total 2015 £	Total 2014 £
Provision of education - direct costs	1,263,473	-	132,822	1,396,295	1,358,719
Provision of education - support costs	186,354	438,489	90,235	715,078	1,136,586
	<u>1,449,827</u>	<u>438,489</u>	<u>223,057</u>	<u>2,111,373</u>	<u>2,495,305</u>
Charitable activities	<u>1,449,827</u>	<u>438,489</u>	<u>223,057</u>	<u>2,111,373</u>	<u>2,495,305</u>
Governance	-	-	7,685	7,685	7,185
	<u>-</u>	<u>-</u>	<u>7,685</u>	<u>7,685</u>	<u>7,185</u>
	<u>1,449,827</u>	<u>438,489</u>	<u>230,742</u>	<u>2,119,058</u>	<u>2,502,490</u>

SUMMERCROFT PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

7. CHARITABLE ACTIVITIES

	Total funds 2015 £	Total funds 2014 £
DIRECT COSTS		
Wages and salaries	1,010,522	1,002,133
National insurance	64,545	63,804
Pension cost	188,406	165,680
Educational supplies	89,065	88,071
Staff development	8,687	11,514
Educational consultancy	13,092	14,125
Other costs	21,978	13,392
	<u>1,396,295</u>	<u>1,358,719</u>
SUPPORT COSTS		
Wages and salaries	156,583	144,803
National insurance	4,931	5,098
Pension cost	24,840	21,655
Depreciation	99,258	100,621
LGPS adjustment	3,000	11,000
Technology costs	48,149	49,629
Travel & subsistence	860	1,119
Other costs	(7,658)	1,833
Recruitment & support	274	10,136
Maintenance of premises & machinery	128,142	561,371
Cleaning	25,388	24,578
Rates	4,184	4,093
Energy	17,948	15,415
Insurance	21,364	20,938
Security	2,663	1,797
Catering	127,169	96,535
Occupancy costs	12,373	13,902
Bank interest & charges	2,196	2,533
Telephone expenses	1,331	2,792
Printing, postage and stationary	24,745	23,059
Professional fees	17,338	23,679
	<u>715,078</u>	<u>1,136,586</u>
	<u>2,111,373</u>	<u>2,495,305</u>

8. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	-	4,000	4,000	3,750
Auditors' non audit costs	-	3,600	3,600	3,350
Legal and professional	-	85	85	85
	<u>-</u>	<u>7,685</u>	<u>7,685</u>	<u>7,185</u>

SUMMERCROFT PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

9. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets: - owned by the Academy	99,258	100,621
	99,258	100,621

10. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	1,153,833	1,139,671
Social security costs	69,476	68,902
Other pension costs	213,246	187,335
	1,436,555	1,395,908
Agency supply teacher costs	13,272	7,265
	1,449,827	1,403,173

b. Staff numbers

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

	2015 No.	2014 No.
Teachers	17	18
Administration and support	23	23
Management	3	2
	43	43
	43	43

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	1	0
	1	0

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2015 the Academy made pension contributions for these staff members amounting to £8,962 (2014 NIL)

SUMMERCROFT PRIMARY SCHOOL
(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 Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and 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:

C Hinstridge

Remuneration £60,000-£65,000 (2014: £55,000-£60,000)
Employer's Pension contribution £5,000-£10,000 (2014: £5,000-£10,000)

S Jess

Remuneration £45,000-£50,000 (2014: £nil)
Employer's Pension contribution £5,000-£10,000 (2014: £nil)

J Gapper

Remuneration £40,000-£45,000 (2014: £40,000-£45,000)
Employer's Pension contribution £5,000-£10,000 (2014: £5,000-£10,000)

S Evans

Remuneration £30,000-£35,000 (2014: £30,000-£35,000)
Employer's Pension contribution £0-£5,000 (2014: £0-£5,000)

A Burns

Remuneration £10,000-£15,000 (2014: £10,000-£15,000)
Employer's Pension contribution £0-£5,000 (2014: £nil)

M Smith

Remuneration £nil (2014: £50,000-£55,000)
Employer's Pension contribution £nil (2014: £5,000-10,000)

During the period ended 31 August 2015, travel and subsistence expenses totalling £451 (2014: £497) were reimbursed or paid directly to three trustees (2014: two trustees).

Other related party transactions involving the Trustees are set out in note 24

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 £10,000,000 on any one claim and the cost of this insurance is included in the total insurance cost.

SUMMERCROFT PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

13. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 September 2014	2,563,555	44,973	32,477	2,641,005
Additions	-	8,920	5,064	13,984
At 31 August 2015	<u>2,563,555</u>	<u>53,893</u>	<u>37,541</u>	<u>2,654,989</u>
Depreciation				
At 1 September 2014	272,640	11,567	15,699	299,906
Charge for the year	90,572	5,389	3,297	99,258
At 31 August 2015	<u>363,212</u>	<u>16,956</u>	<u>18,996</u>	<u>399,164</u>
Net book value				
At 31 August 2015	<u>2,200,343</u>	<u>36,937</u>	<u>18,545</u>	<u>2,255,825</u>
At 31 August 2014	<u>2,290,915</u>	<u>33,406</u>	<u>16,778</u>	<u>2,341,099</u>

The land and buildings have been included in the accounts based on the valuation arranged by the EFA using depreciated replacement cost. The Governors believe that the cost of obtaining a more detailed valuation outweighs the benefit.

Included within freehold property is freehold land at a cost of £692,936 which is not being depreciated.

14. DEBTORS

	2015 £	2014 £
Trade debtors	770	-
VAT recoverable	2,076	-
Other debtors	14,525	56,576
Prepayments and accrued income	6,681	141,751
	<u>24,052</u>	<u>198,327</u>

15. CREDITORS:
Amounts falling due within one year

	2015 £	2014 £
Other taxation and social security	-	18,350
3rd party creditor: Aspects	-	31,848
Other creditors	69,458	112,275
Accruals and deferred income	80,711	36,915
	<u>150,169</u>	<u>199,388</u>

SUMMERCROFT PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

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

	£
Deferred income	
Deferred income at 1 September 2014	36,915
Resources deferred during the year	80,711
Amounts released from previous periods	(36,915)
	80,711
Deferred income at 31 August 2015	80,711

Resources deferred at the period end relate to contributions towards Universal Free School Meals and an overpayment of Academies Capital Maintenance Funding in 2014/15.

16. STATEMENT OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Carried forward £
Unrestricted funds						
General funds	26,952	95,906	(53,735)	(13,984)	-	55,139
	26,952	95,906	(53,735)	(13,984)	-	55,139
Restricted funds						
General Annual Grant (GAG)	-	1,454,466	(1,454,466)	-	-	-
Educational visits	-	37,651	(37,651)	-	-	-
SEN	-	23,709	(23,709)	-	-	-
HCC nursery grant	-	188,854	(188,854)	-	-	-
Restricted donations	-	12,743	(12,743)	-	-	-
Restricted music income	-	1,504	(1,504)	-	-	-
Restricted other	-	18,567	(18,567)	-	-	-
Pupil premium	-	63,683	(63,683)	-	-	-
Other facilities income	-	31,045	(31,045)	-	-	-
Pension reserve	(439,000)	-	(16,000)	-	(16,000)	(471,000)
	(439,000)	1,832,222	(1,848,222)	-	(16,000)	(471,000)
	(439,000)	1,832,222	(1,848,222)	-	(16,000)	(471,000)
Restricted fixed asset funds						
Restricted fixed asset fund	2,341,099	-	(99,258)	13,984	-	2,255,825
DFC	-	9,063	(9,063)	-	-	-
Other capital grants	-	108,780	(108,780)	-	-	-
	2,341,099	117,843	(217,101)	13,984	-	2,255,825
Total restricted funds	1,902,099	1,950,065	(2,065,323)	13,984	(16,000)	1,784,825
Total of funds	1,929,051	2,045,971	(2,119,058)	-	(16,000)	1,839,964

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NOTES TO THE FINANCIAL STATEMENTS
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16. STATEMENT OF FUNDS (continued)

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

General Annual Grant (GAG)

This represents funding from the EFA to cover the costs of recurrent expenditure.

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

Educational visits

This represents contributions made by parents to the running of educational visits for the pupils of The School and the associated costs of running the visits.

Special Educational Needs (SEN)

This represents allocated funding for special educational needs pupils.

Hertfordshire County Council (HCC) nursery grant

This represents funds received from the local authority to support the provision of nursery services.

Restricted donations

This represents funds received from various bodies for the provision of a specific purpose, with the Academy's charitable objectives.

Restricted music income

This represents funding received for the provision of music lesson to pupils.

Pupil premium

This represents funding used to help raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

Other restricted

This represents other small donations from individuals and businesses for the provision of specific services associated with the furtherance of the academy trust's charitable objectives.

Other facilities income

This represents income from use of facilities, which is utilised in the upkeep and provision of these facilities.

Pension reserve

This fund represents the Academy's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the academy on conversion from a State Maintained School.

Restricted fixed asset funds

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the DfE where the asset acquired or created is held for a specific purpose. The transfer in of £13,984 represents the costs of assets acquired in the year which have been funded by unrestricted funding

Devolved Formula Capital (DFC)

The Academy is to use the DFC allocation to maintain and improve its buildings and facilities.

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.

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16. STATEMENT OF FUNDS (continued)

SUMMARY OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/(losses) £	Carried forward £
General funds	26,952	95,906	(53,735)	(13,984)	-	55,139
Restricted funds	(439,000)	1,832,222	(1,848,222)	-	(16,000)	(471,000)
Restricted fixed asset funds	2,341,099	117,843	(217,101)	13,984	-	2,255,825
	<u>1,929,051</u>	<u>2,045,971</u>	<u>(2,119,058)</u>	<u>-</u>	<u>(16,000)</u>	<u>1,839,964</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	2,255,825	2,255,825	2,341,099
Current assets	205,308	-	-	205,308	226,340
Creditors due within one year	(150,169)	-	-	(150,169)	(199,388)
Provisions for liabilities and charges	-	(471,000)	-	(471,000)	(439,000)
	<u>55,139</u>	<u>(471,000)</u>	<u>2,255,825</u>	<u>1,839,964</u>	<u>1,929,051</u>

18. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net outgoing resources before revaluations	(73,087)	(123,291)
Returns on investments and servicing of finance	(253)	(553)
Depreciation of tangible fixed assets	99,258	-
Decrease/(increase) in debtors	174,275	(165,993)
Decrease in creditors	(49,219)	(8,553)
FRS 17 adjustments	16,000	11,000
Net cash inflow/(outflow) from operations	<u>166,974</u>	<u>(287,390)</u>

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

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	<u>253</u>	<u>553</u>

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

	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(13,984)	(10,565)
	(13,984)	(10,565)

20. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	28,013	153,243	-	181,256
Net funds	28,013	153,243	-	181,256

21. 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.

22. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Hertfordshire 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 £24,220 were payable to the scheme at 31 August 2015 (2014 - £NIL) 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.

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22. PENSION COMMITMENTS (continued)

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; and
- 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 £101,708 (2014: £100,572).

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 £121,000, of which employer's contributions totalled £99,000 and employees' contributions totalled £22,000. The agreed contribution rates for future years are 16.8% for employers and 6.6% 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 amounts recognised in the Balance Sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(1,331,000)	(1,151,000)
Fair value of scheme assets	860,000	712,000
	(471,000)	(439,000)
Net liability	(471,000)	(439,000)

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22. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Current service cost	(112,000)	(88,000)
Interest on obligation	(45,000)	(44,000)
Expected return on scheme assets	42,000	33,000
	<u> </u>	<u> </u>
Total	(115,000)	(99,000)
	<u> </u>	<u> </u>
Actual return on scheme assets	36,000	68,000
	<u> </u>	<u> </u>

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

	2015 £	2014 £
Opening defined benefit obligation	1,151,000	905,000
Current service cost	112,000	88,000
Interest cost	45,000	44,000
Contributions by scheme participants	22,000	19,000
Actuarial losses	10,000	112,000
Benefits paid	(9,000)	(17,000)
Present value of defined benefit obligation on conversion	-	-
	<u> </u>	<u> </u>
Closing defined benefit obligation	1,331,000	1,151,000
	<u> </u>	<u> </u>

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

	2015 £	2014 £
Opening fair value of scheme assets	712,000	505,000
Expected return on assets	42,000	33,000
Actuarial (losses) and gains	(6,000)	84,000
Contributions by employer	99,000	88,000
Contributions by employees	22,000	19,000
Benefits paid	(9,000)	(17,000)
	<u> </u>	<u> </u>
	860,000	712,000
	<u> </u>	<u> </u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities was a £103,000 loss (2014 - £87,000 loss).

The Academy expects to contribute £102,000 to its Defined Benefit Pension Scheme in 2016.

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

	2015	2014
Equities	62.00 %	67.00 %
Bonds	27.00 %	23.00 %
Property	7.00 %	7.00 %
Cash	4.00 %	3.00 %

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

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

	2015	2014
Discount rate for scheme liabilities	3.70 %	3.70 %
Expected return on scheme assets at 31 August	3.70 %	5.40 %
Rate of increase in salaries	4.00 %	3.90 %
Rate of increase for pensions in payment / inflation	2.60 %	2.60 %

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	22.3	22.3
Females	24.5	24.5
Retiring in 20 years		
Males	24.3	24.3
Females	26.7	26.7

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

Defined benefit pension schemes

	2015 £	2014 £	2013 £	2012 £
Defined benefit obligation	(1,331,000)	(1,151,000)	(905,000)	(741,000)
Scheme assets	860,000	712,000	505,000	329,000
Deficit	<u>(471,000)</u>	<u>(439,000)</u>	<u>(400,000)</u>	<u>(412,000)</u>
Experience adjustments on scheme assets	<u>(6,000)</u>	<u>84,000</u>	<u>35,000</u>	<u>10,000</u>

23. 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 £
Expiry date:				
Within 1 year	-	-	4,869	6,864
Between 2 and 5 years	-	-	35,399	33,301
	<u>-</u>	<u>-</u>	<u>40,268</u>	<u>40,165</u>

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24. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee 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.

Any transactions where the Trustee has a pecuniary interest is only undertaken in accordance with the 'at cost' principle stated in the Academies Financial Handbook.

The spouse of a Trustee is employed by the Academy on a contract approved by Trustees whose remuneration is in line with the standard pay scales for the role undertaken and their employment contract is subject to normal terms and conditions.

There were no further related party transactions during the year.