Eggbuckland Community College Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2015

Registration number: 08603078

Eggbuckland Community College Academy Trust

Contents

Reference and Administrative Details	1 to 2
Governors/Trustees Report	3 to 13
Governance Statement	14 to 17
Statement on Regularity, Propriety and Compliance	18
Statement of Trustees' Responsibilities	19
Independent Auditor's Report on the Financial Statements	20 to 21
Independent Reporting Accountant's Report on Regularity	22 to 23
Statement of Financial Activities incorporating Income and Expenditure Account	24 to 25
Balance Sheet	26
Cash Flow Statement	27
Notes to the Financial Statements	28 to 48

Eggbuckland Community College Academy Trust

Reference and Administrative Details

Members	Ray Fairchild
	Peter Leverton
	Dawn Wharton
	Rosie Prout (appointed 22 January 2015)
	Gail Clark (appointed 14 May 2015)
	David Miller (resigned 30 November 2014)
	Mark Eve (resigned 17 March 2015)
Governors and Trustees (Directors)	Peter Leverton, Chair
	Katrina Borowski, Principal
	Michaela Bottomley
	Gail Clark
	Ray Fairchild
	Michael Hall
	Angela King
	Rosemary Prout
	David Todd
	Deborah Hicks (appointed 9 June 2015)
	Carrie Wills (appointed 3 February 2015)
	Johnathon Rowe (appointed 1 September 2015)
	Jessica Dann (appointed 3 February 2015)
	Thomas Lavis (resigned 23 September 2015)
	Lawrence Hembury (resigned 27 April 2015)
	David Miller (resigned 30 November 2014)
	Dawn Wharton (resigned 14 October 2015)
	Paula Wooltorton (resigned 26 March 2015)
	Mark Eve (resigned 17 March 2015)
	Steven Buckler (resigned 9 June 2015)
Company Secretary	Rebecca Knight

Eggbuckland Community College Academy Trust

Reference and Administrative Details (continued)

Senior Management Team	Katrina Borowski, Principal Simon Crawford, Vice Principal Matthew Corrigan, Vice Principal Rachel Towers, Assistant Principal Melissa Dennis, Assistant Principal Rebecca Knight, Business Manager Aaron Watson, Associate Assistant Principal Nicholas Swain, Associate Assistant Principal
Principal and Registered Office	Westcott Close Plymouth Devon PL6 5YB
Company Registration Number	08603078
Auditors	Francis Clark LLP Chartered Accountants and Registered Auditors North Quay House Sutton Harbour Plymouth Devon PL4 0RA
Bankers	Lloyds TSB Bank PLC Royal Parade Plymouth Devon
Solicitors	Browne Jacobson LLP 1 Manor Court Exeter Devon

Eggbuckland Community College Academy Trust

Governors' Report for the Year Ended 31 August 2015

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2015. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

Eggbuckland Community College Academy Trust is a Multi-Academy Trust operating two schools in Plymouth: Eggbuckland Community College for students aged 11 to 18; it has a student capacity of 1350 and had a roll of 1081 in the school census on 4 November 2014 and Austin Farm Academy for students aged 4 to 11; it has a student capacity of 300 and had a roll of 252 on 1 March 2015, on conversion.

Structure, governance and management

Constitution

The Academy Trust (incorporated on 9th July 2013; converting to a Multi-Academy Trust, on 1st March 2015), is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Governors act as Trustees of Eggbuckland Community College Academy Trust and are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Eggbuckland Community College Academy Trust.

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

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the 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.

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.

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 a breach of duty or which was committed by the Governors in reckless disregard to whether it was a breach of trust or a breach of duty or not. 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 limit of this indemnity is £5,000,000.

Eggbuckland Community College Academy Trust

Governors' Report for the Year Ended 31 August 2015

Method of recruitment and appointment or election of Trustees

Governors shall be appointed or elected, as the case may be, under the Articles of Association and Funding Agreement. In general the Academy Trust will have the following Governors:

• The Members/Trustees may appoint up to 1 Governor, subject to the Articles of Association.

• In addition, subject to the Articles, the Academy Trust shall have the following Governors:
- A minimum of 2 Parent Governors
- Up to 3 Staff Governors
- The Principal
- Up to 10 Community Governors
- The Governors may appoint Co-opted Governors subject to the conditions set out in the Articles of Association.

• The total number of Governors who are employees of the Academy Trust (including the Principal) must not exceed one third of the total number of Governors.

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

• The term of office for any Governor (except on conversion) is four years with the exception of:
- The Principal
- A staff Governor will only hold office for so long as they continue to be employed as a Teacher or member of Support Staff

Policies and procedures adopted for the induction and training of Governors

The Academy has a Governor Recruitment Pack which is available from the Clerk to Governors. An Induction and Training Policy is in draft form.

The training and induction provided for new Governors will depend upon their existing experience but will always include a meeting with the Principal and Chair or Vice Chair of Governors, a tour of the Academies and a chance to meet staff and students. All Governors are allocated a mentor Governor, and are provided with access to the Governor area on the Academy's SIMS Learning Gateway (SLG). This area holds a vast amount of information specifically to support, advise and inform Governors on every aspect of their development in this role. As part of induction their mentor signposts the new Governor to policies, procedures, minutes, accounts, plans and other documents that they will need to undertake their role as a Governor. Induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by Governor Services at the Local Authority and courses from other bodies. There is an annual Academy Trust Governor Development Day on topics brought forward by Governors. All Governors are DBS checked, on appointment, and then every three years.

Eggbuckland Community College Academy Trust

Governors' Report for the Year Ended 31 August 2015

Organisational structure

The Full Governing Body meets at least once each term.

The Governors establish an overall framework for the governance of the Academy Trust and determine membership, terms of reference and procedures of Committees and other groups. This includes roles and responsibilities for all the Governors including the Principal. The Principal may delegate responsibilities to the Leadership Team as and when required.

It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Full Governing Body may from time to time establish Working Groups to perform specific tasks over a limited timescale.

Finance Committee - this meets at least once per term and is responsible for:

• Monitoring, evaluating and reviewing policy and performance in relation to financial management;

• Compliance with reporting and regulatory requirements and reporting;

• Receiving reports from the Responsible Officer;

• Drafting the annual budget including setting staffing levels;

• Incorporating the role of an Audit Committee.

Curriculum Committee - this meets at least once per term and is responsible for:

• Monitoring, evaluating and reviewing Academy policy, practice and performance in relation to curriculum planning;

• Monitoring, evaluating and reviewing target setting and assessment, examinations and academic performance;

• Monitoring, evaluating and reviewing all pastoral issues, including safeguarding;

• Reviewing and evaluating stakeholder communications.

Personnel Committee - this meets at least once per term and is responsible for:

• Ensuring that the Governing Body fulfils its duties as an employer, appoints staff and determines staffing structure;

• Considering and approving policies regarding all aspects of employment, including procedures for recruitment, appointment and management of staff;

• Making recommendations on staffing needs to meet the requirements of the curriculum, within the constraints of the budget set by the Finance Committee.

Local Governing Body (Austin Farm Academy) - this meets at least once per term and is responsible for:

• Monitoring, evaluating and reviewing Academy policy, practice and performance in relation to curriculum planning at Austin Farm Academy;

• Monitoring, evaluating and reviewing target setting and assessment, examinations and academic performance at Austin Farm Academy;

• Monitoring, evaluating and reviewing all pastoral issues, including safeguarding at Austin Farm Academy;

Buildings and Premises Committee - this meets at least once per term and is responsible for:

• Ensuring that Premises Improvement Plans relating to the premises are implemented;

• Making recommendations for future financial planning in relation to the Site Improvement Plans;

• Approving and monitoring asset management plan transactions;

• Monitoring and reviewing all aspects of maintenance and improvement or repair to buildings, grounds and plant;

• Advising the Governing Body on its responsibilities under Health & Safety legislation;

• Monitoring the use of the premises both during and outside College/School hours, in accordance with any general rules (direction) set by the Academy and Special Educational Needs & Disability (SEND) Act.

The following decisions are reserved to the Full Governing Body:

• Considering any proposals for changes to status or constitution of the Academy and its committee structure;

• Appointing or removing the Chairman and/or Vice Chairman;

• Appointing the Principal and Clerk to Governors;

• Approving the Academy Improvement Plan and annual budget.

The Governors have devolved responsibility for day to day management of Eggbuckland Community College to the Principal and Leadership Team (LT). The LT comprises the Principal, Vice Principal(s), Assistant Principal(s), Associate Assistant Principal(s) and the Business Manager.

Eggbuckland Community College has a leadership structure which consists of the Governors, Leadership Team and Senior/Middle Leaders, including Curriculum Team Leaders, House Leaders and Support Staff Middle Leaders.

The LT leads the Academy at an executive level, implementing the policies laid down by the Governors and reporting back to them.

The Governors have devolved responsibility for the day to day management of Austin Farm Academy to the Principal and the Headteacher (HT).

Austin Farm Academy has a leadership structure which consists of the Governors, Principal, Headteacher, Leadership Team, other leaders and Business Manager.

The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Principal is the Accounting Officer.

Connected organisations, including related party relationships

The Academy is engaged in 3 main partnerships:

1. Endeavour Learning Community Trust (ELCT). This comprises Eggbuckland Community College Academy Trust, Austin Farm Academy, Eggbuckland Vale Primary School, Leigham Primary School, Manadon Vale Primary School, Thornbury Primary School, Widey Court Primary School and Courtlands Special School. St. Edward's Church of England Primary School is a partner school and The Co-operative Movement, Plymouth Learning Partnership (the trading name of PAPH Co-operative CIC) and Plymouth Local Authority are partners.

The Trust is a Co-operative Trust and, as such, subscribes to Co-operative values and principles: self-help, self-responsibility, democracy, equality, equity, solidarity, honesty, openness, social responsibility and caring for others. These values and principles align very well with the ethos of the Academy and all the schools that have formed the Trust.

The Trust enables those directly involved in the Academy and partner schools, whether they are students, staff or parents/carers, to engage in the long-term strategic direction through membership of the Trust. The Academy believe very strongly that, through working together with partners, the sharing of expertise and resources will bring out the very best in students and help them to achieve to their full potential, encouraging them to make a positive contribution to their community.

2. Plymouth Learning Trust (PLT). This comprises most of the 16 Plymouth secondary schools and its mission is to provide the best educational experience possible for Plymouth secondary children.

3. Plymouth Learning Partnership (the trading name of PAPH Co-operative CIC). This organisation also subscribes to the Co-operative values and, like PLT, aspires to do the very best for all Plymouth schoolchildren.

Eggbuckland Community College Academy Trust

Governors' Report for the Year Ended 31 August 2015

Objectives and activities

Objects and aims

The principal objects and activities of the Academy are to:

• Advance for the public benefit, education in the United Kingdom, in particular by establishing, maintaining, managing, and developing College(s)/School(s), offering a broad range of curriculum for students of different abilities;

• Provide free education and care for students of different abilities between the ages of 4 and 18. Eggbuckland Community College's specialism is Creative Arts.

The aims of the Academy during the period ending 31 August 2015 are summarised below:

• To continue to raise the standard of educational attainment so that all students make at least the expected levels of progress for their ability;

• To develop students as more effective learners;

• To continue to provide a broad, balanced and relevant curriculum, including extra-curricular activities which provides pathways that take account of students' needs;

• To ensure that provision of high quality information, advice and guidance is in place;

• To provide high quality professional development for all staff;

• To improve the Academy facilities and learning environment so that it enables students to achieve their full potential;

• To comply with all appropriate statutory and curriculum requirements;

• To develop coherence, clarity and effectiveness in Academy systems;

• To provide value for money for the funds expended;

• To work closely with our partner primary schools to support the successful transition of students;

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

The Academy aims to achieve the best for, and from, each child. It intends to enable each child to realise his or her full academic, creative and physical potential and develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

Eggbuckland Community College Academy Trust

Governors' Report for the Year Ended 31 August 2015

Objectives, strategies and activities

Key priorities for the period are contained in our College Improvement Plan (CIP) which is on our website.

The main CIP objectives for the period were as follows:

- To raise levels of achievement at all Key Stages
- To improve the quality of teaching at all Key Stages
- To improve behaviour and safety
- To improve the sustainability of our College

Key activities and targets were identified in the CIP and were driven by our self-evaluation and influenced by the challenges and opportunities arising from national changes in education policy and funding.

Public benefit

The Governors are satisfied that the Academy has complied with its requirement for the public benefit of education for boys and girls in Plymouth. This can be demonstrated by the public examination results achieved by the students of the Academy Trust and the destination choices of the majority of its students. Additionally, the Academy engages with the local community and demonstrates a continued commitment to:

- Education
- Community Cohesion
- Provision of services for the community
- Extended use of buildings

Eggbuckland Community College Academy Trust

Governors' Report for the Year Ended 31 August 2015

Strategic Report

Achievements and performance
In spite of national volatility regarding the examinations system, most of our students achieved the results they needed to move on to the next step of their career/education.

We were particularly delighted to receive formal approval from the Regional Schools Commissioner to form a Multi-Academy Trust with Austin Farm Primary School (now Academy), as we understand the positive impact this will have on improving teaching and learning across both schools, as well as facilitating transition from primary to secondary school.

Our successful bid to the Education Funding Agency enabled us to re-roof the Sports Hall and improve the aesthetics of our site through the replacement of external windows and doors.

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 performance indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular the management of spending against General Annual Grant (GAG). In the period under review £291k was carried forward, representing 4.6% of GAG.

Plans for future periods

A key focus of the College is to continue to embed 'Building Learning Habits' so that students become more effective learners. Also, with a significantly changing national examination regime, it is crucial that we prepare students thoroughly for the pressures of future exams, and this has been supported by the introduction of a 3-year Key Stage 4 programme.
We continue to look at creative ways in which we can build capacity within our staff and train them to develop their leadership skills, where appropriate, or take on new responsibilities.

In addition, we continue to explore creative ways in which we can develop our site and improve our learning environment.

Having formed a Multi-Academy Trust with Austin Farm Primary School in March 2015, we are working concertedly to get the school out of its Ofsted category so that we can focus on furthering the excellent partnership work we have already started, in order to smooth the transition from primary to secondary school.

Eggbuckland Community College Academy Trust

Governors' Report for the Year Ended 31 August 2015

Strategic Report

Financial review

The vast majority of the Academy's income is obtained from the DfE via the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular educational purposes. The grants received from the DfE during the period ended 31 August 2015 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy has also received grants from other organisations to deliver specific projects:

Living in the Natural Environment (from Plymouth City Council £2,500)
Sport England (£9,960)
Ernest Cook Trust (£1,663)
Access to Work (£4,426)

During the period ending 31 August 2015, total expenditure of £7,648k was covered by recurrent grant funding from the EFA, together with other incoming resources of £796k. The excess income over expenditure for the period (excluding restricted fixed asset funds and the restricted pension reserve) was £198k.

At 31 August 2015 the net book value of fixed assets was £14,721k and movements in tangible fixed assets are shown in note 13 to the Financial Statements. The assets were used almost exclusively for providing education and the associated support services to the students of the Academy Trust.

Reserves policy

In a period of substantial financial uncertainty related to proposed Government changes to the funding formula for schools, the Academy Trust has produced budgets that ensure a small surplus.

The Governors review the reserve levels of the Academy Trust annually, when setting the annual budget. This review encompasses the nature of income and expenditure streams, the need to match revenue income with commitments through budgetary control and also the strategic use of reserves. The Governors take into consideration the future plans of the Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Academy Trust's total reserves as the Balance Sheet date at 31 August 2015 comprised on £291k of unspent GAG and £235k of unrestricted funds.

General reserves will be allocated to Academy improvement priorities. This will include allocation to further Capital project commitment. Other considerations for the use of reserves are:

- Refurbishment phase 3 at Austin Farm Academy (£129,100)
- Replacement doors and windows at Eggbuckland Community College (£144,043)
- Replacement Sports Hall roof at Eggbuckland Community College (£26,123)
- Cost pressure turbulence
- Contingency for falling secondary rolls in Plymouth
- Multi-academy trust support for Austin Farm Academy (£39,799)

Eggbuckland Community College Academy Trust

Governors' Report for the Year Ended 31 August 2015

Strategic Report

Investment policy

The Academy Trust aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the Academy Trust aims to invest surplus cash funds to optimise returns, but ensuring the investment instruments are such that there is no risk to the loss of these cash funds.

The Academy Trust current account pays a small amount of interest and the Governors have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. The Academy Trust is authorised to invest funds only in specific Banks all of which are authorised and monitored by the Financial Services Authority. No other form of investment is authorised. Day-to-day management of the surplus funds is delegated to the Principal and Business Manager within strict guidelines approved by the Governing Body.

Principal risks and uncertainties

The principal risks and uncertainties facing the Academy Trust are as follows:

Financial - the Academy Trust has considerable reliance on continued Government funding through the EFA. In the last period 95% of the Academy Trust's incoming revenueresources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that the funding levels will be maintained in real terms in the short/medium term (3-5 years). In fact, significant funding change has begun this year and continues with uncertainty over the new funding formula relating to KS2, KS3, KS4 and Post-16. Flat growth in funding against a background of rising cost pressure will increase the need for prudent budgeting and contingency planning.

Falling roll in Plymouth - for the past 10 years student secondary school numbers have been falling in Plymouth. Initially, this had no impact on roll, at the Academy Trust, but for the past 5 years the numbers joining year 7 have fallen. Coupled with another new school opening in September 2017, numbers are expected to be stable in the short term, then increase in about 12 months. To mitigate this risk, the Governors ensure that student success and achievement are closely monitored and have invested in a marketing campaign.

Physical Environment - ongoing concerns over funding levels in the short/medium term also translate into capital funding availability from the EFA.

The Academy Trust has developed a Master Plan to deliver significant improvements to the buildings and infrastructure.

However, the general condition of the buildings is a perennial problem requiring ongoing attention and consistent levels of capital funding. If the necessary capital funds are not forthcoming (from the EFA) the environment will suffer at a relatively fast pace due to the design/age of the buildings. This area will require careful monitoring to ensure that the learning/working environment is sufficient, suitable and in acceptable condition. The Academy Trust's ability to guarantee this objective is uncertain.

The Academy Trust maintains a Risk Register, reviewing and updating on a regular basis.

Eggbuckland Community College Academy Trust

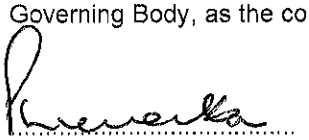
Governors' Report for the Year Ended 31 August 2015

Funds held as Custodian Trustee on behalf of others
The Academy Trust is not a Custodian Trustee for others.

Auditor
In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all 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.

Trustees' Report, incorporating a Strategic Report, was approved by order of the members of the Governing Body, as the company directors, on 26.11.15 and signed on its behalf by:



Peter Leverton
Governor and trustee

Eggbuckland Community College Academy Trust

Governance Statement

Statement on governance and internal control

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

The Governing Body has delegated the day-to-day responsibility to Katrina Borowski 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 Eggbuckland Community College Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

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

Trustee	Meetings attended	Out of a possible
Dawn Wharton	5	6
Katrina Borowski	6	6
Michaela Bottomley	6	6
Steven Buckler	1	5
Gail Clark	5	6
Jessica Dann	3	3
Mark Eve	4	4
Ray Fairchild	5	6
Michael Hall	5	6
Lawrence Hembury	1	4
Deborah Hicks	1	1
Angela King	6	6
Thomas Lavis	6	6
Peter Leverton	6	6
David Miller	0	3
Rosemary Prout	6	6
David Todd	6	6
Carrie Wills	2	4
Paula Wooltorton	2	4

Governance Statement (continued)

Governance reviews
The significant changes to the Governing Body was the formation of a Multi-Academy Trust. As part of the 'conversion' process the Governing Body reviewed governance and slightly revised the current structure to incorporate a Local Governing Body for schools joining the Multi-Academy Trust. Other changes included the resignation of 4 Governors and the appointment of 3 new Governors. There were a small number of rotational moves designed to increase Governors overall experience across the committee structure.

The Finance Committee is a sub-committee of the main Governing Body. Its purpose is to deal with matters of finance and audit. Attendance at meetings during the year was as follows:

Members of the Committee	Meetings attended	Out of a possible
Dawn Wharton	4	5
Katrina Borowski	5	5
Peter Leverton	5	5
Jessica Dann	1	1
Angela King	5	5
Lawrence Hembury	0	3
David Miller	0	2
David Todd	4	5

Review of value for money
As accounting officer the governor and trustee 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 Academy 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:

• Reducing photocopying costs with a new lease and the introduction of a more efficient 'print management system, covering photocopiers and networked printers.

• Generating income by selling surplus curriculum teaching hours to a local university.

• Achieving economies of scale by tendering for the grounds maintenance contract for both schools in the Multi-Academy Trust.

• Benchmarking the cost of our internet provision and ICT leases (no savings could be made).

Governance Statement (continued)

The purpose of the system of internal control
The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Eggbuckland Community College Academy Trust for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk
The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However the Trustees have appointed Mandy Vickery, St Kew Accountancy Limited 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. On a quarterly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

During the year the RO carried out a schedule of work including reviewing the following areas:

Systems and controls relating to income, investments and VAT returns

Procedures regarding orders, payments, credit cards, tendering and asset management

Systems and controls relating to payroll and claims

Month-end procedures, assets, debtors, creditors, reporting to Governors

Governance Statement (continued)

There were no material control or other issues reported by the RO to date.

Review of effectiveness
As Accounting Officer, Miss Katrina Borowski 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 Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 26.11.15 and signed on its behalf by:

Peter Leverton
Governor and trustee

Katrina Borowski
Accounting officer
Governor and trustee

Eggbuckland Community College Academy Trust

Statement on Regularity, Propriety and Compliance

As accounting officer of Eggbuckland Community College Academy Trust I have considered my responsibility to notify the Academy Trust Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State 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 Trust Board 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 Governing Body and EFA.

Katrina Borowski
Accounting officer

Date...4/12/15.....

Eggbuckland Community College Academy Trust

Statement of Trustees' Responsibilities

The trustees (who are the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and 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 the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the Members of the Board on 26.11.15 and signed on its behalf by:

Peter Leverton
Chair of governors

Eggbuckland Community College Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Eggbuckland Community College Academy Trust

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

This report is made solely to the charitable company'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 charity's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its Members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 19), 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company'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 the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company'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 the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Independent Auditor's Report on the Financial Statements to the Members of Eggbuckland Community College Academy Trust (continued)

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.

.....

Charles Evans (Senior Statutory Auditor)
For and on behalf of Francis Clark LLP, Statutory Auditor

North Quay House
Sutton Harbour
Plymouth
Devon
PL4 0RA

Date: 10/12/15

Eggbuckland Community College Academy Trust

Independent Reporting Accountant's Report on Regularity to Eggbuckland Community College Academy Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 7 November 2013 and further to the requirements of the Education Funding Authority (EFA), we have carried out a review to obtain assurance about whether, in all material respects, the expenditure disbursed and income received by the academy trust 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 the Governing Body and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to the Governing Body 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 the Governing Body and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated and the Academies Financial Handbook extant from 1 September 2012, 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 from 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 Education Funding Agency. 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 to our conclusion includes:

- Inspection and review of documentation providing evidence of governance procedures
- Evaluation of the system of internal controls for authorisation and approval
- Performing substantive tests on relevant transactions

Conclusion

Eggbuckland Community College Academy Trust

Independent Reporting Accountant's Report on Regularity to Eggbuckland Community College Academy Trust and the Education Funding Agency (continued)

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 from 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.

.....

Charles Evans
For and on behalf of Francis Clark LLP, Chartered Accountants

North Quay House
Sutton Harbour
Plymouth
Devon
PL4 0RA

Date: 10/12/15

Eggbuckland Community College Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2015 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2015 £ 000	Total 2014 £ 000
Incoming resources						
Incoming resources from generated funds:						
Voluntary income						
Transfer on conversion	2	54	(325)	1,752	1,481	13,139
Other voluntary income	2	2	-	-	2	2
Activities for generating funds	3	238	4	-	242	189
Investment income	4	1	-	-	1	1
Incoming resources from charitable activities:						
Funding for the Academy Trust's educational operations	5	160	6,891	350	7,402	7,012
Total incoming resources		455	6,570	2,102	9,127	20,344
Resources expended						
Cost of generating funds:						
Fundraising trading		33	23	-	56	32
Charitable activities:						
Academy's educational operations		351	6,872	328	7,551	7,048
Governance costs	8	-	41	-	41	22
Total resources expended	6	385	6,936	328	7,648	7,103
Net incoming/(outgoing) resources before transfers		71	(366)	1,774	1,479	13,241
Gross transfers between funds		57	(116)	59	-	-

Eggbuckland Community College Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2015 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) (continued)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2015 £ 000	Total 2014 £ 000
Net income/(expenditure) for the year		128	(481)	1,833	1,479	13,241
Other recognised gains and losses						
Actuarial loss on defined benefit pension schemes	23	-	(122)	-	(122)	(484)
Net movement in funds/(deficit)		128	(603)	1,833	1,357	12,757
Reconciliation of funds						
Funds/(deficit) brought forward at 1 September 2014		108	(2,044)	12,962	11,026	(1,731)
Funds/(deficit) carried forward at 31 August 2015		236	(2,648)	14,795	12,383	11,026

All of the Academy Trust's activities derive from continuing operations during the above two periods.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

Eggbuckland Community College Academy Trust

(Registration number: 08603078)
Balance Sheet as at 31 August 2015

	Note	2015 £ 000	2014 £ 000
Fixed assets			
Tangible assets	13	14,721	12,930
Current assets			
Debtors	14	261	171
Cash at bank and in hand		1,084	577
		1,345	748
Creditors: Amounts falling due within one year	15	(659)	(302)
Net current assets		686	446
Total assets less current liabilities		15,407	13,376
Net assets excluding pension liability		15,407	13,376
Pension scheme liability	23	(3,024)	(2,350)
Net assets including pension liability		12,383	11,026
Funds of the Academy:			
Restricted funds			
Restricted general fund		376	306
Restricted fixed asset fund		14,795	12,962
Restricted pension fund		(3,024)	(2,350)
		12,147	10,918
Unrestricted funds			
Unrestricted general fund		236	108
Total funds		12,383	11,026

The financial statements on pages 24 to 48 were approved by the Trustees, and authorised for issue on 26.11.15 and signed on their behalf by:

Peter Leverton
Governor and trustee

Eggbuckland Community College Academy Trust

Cash Flow Statement for the Year Ended 31 August 2015

	Note	2015 £ 000	2014 £ 000
Net cash inflow from operating activities	18	522	582
Returns on investments and servicing of finance	19	1	1
Capital expenditure and financial investment	20	(17)	(6)
Increase in cash in the year	21	506	577
Reconciliation of net cash flow to movement in net funds			
Increase in cash in the year		506	577
Net funds at 1 September 2014		577	-
Net funds at 31 August 2015		1,084	577

All of the cash flows are derived from continuing operations during the above two periods.

Eggbuckland Community College Academy Trust

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

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 the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

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 company 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.

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

Grants receivable

Grants are included in the Statement of Financial Activities 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.

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.

1 Accounting policies (continued)

Resources expended
All 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.

All resources expended are inclusive of irrecoverable VAT.

Cost of generating funds

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

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 Trustees' meetings and reimbursed expenses.

Tangible fixed assets
Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. 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.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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

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

Asset class	Depreciation method and rate
Freehold buildings	2% straight line
Furniture & equipment	20% straightline
Motor vehicles	20% straight line
Computer equipment	33% straight line

1 Accounting policies (continued)

Leased assets
Rentals under operating leases are charged on a straight line basis over the lease term.

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.

Pension 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, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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 financial statements, 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.

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 Trustees.

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education Funding Agency/Department for Education.

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

1 Accounting policies (continued)

Agency accounting

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the EFA. Payments received from the EFA and subsequent disbursements to students are excluded from the statement of financial activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 3% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 25.

2 Voluntary income

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2015 £ 000	Total 2014 £ 000
Transfer on conversion	54	(325)	1,752	1,481	13,139
Other voluntary income					
Other donations	2	-	-	2	2
Total voluntary income	56	(325)	1,752	1,483	13,141

3 Activities for generating funds

	Unrestricted funds £ 000	Restricted funds £ 000	Total 2015 £ 000	Total 2014 £ 000
Hire of facilities	73	-	73	72
Recharges and reimbursements	2	-	2	1
Other income	158	-	158	103
College fund	4	4	8	12
	238	4	242	189

4 Investment income

	Unrestricted funds £ 000	Total 2015 £ 000	Total 2014 £ 000
Short term deposits	1	1	1

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

5 Funding for Academy's educational operations

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2015 £ 000	Total 2014 £ 000
DfE/EFA capital grants					
Other Capital Funds	-	-	308	308	-
Devolved Formula Capital allocations	-	-	33	33	25
	-	-	340	340	25
DfE/EFA revenue grants					
General Annual Grant (GAG)	-	6,315	-	6,315	6,259
Other DfE / EFA grants	1	416	-	417	383
	1	6,731	-	6,732	6,642
Other government grants					
Local Authority Grants	-	121	1	122	118
Other government grants	-	-	9	9	14
	-	121	10	130	132
Non-government grants and other income					
Catering	157	-	-	157	132
Educational trips and visits	2	39	-	42	82
	160	39	-	199	213
Total grants	160	6,891	350	7,402	7,012

6 Resources expended

	Staff costs £ 000	Premises £ 000	Other costs £ 000	Total 2015 £ 000	Total 2014 £ 000
Costs of activities for generating funds	3	-	53	56	32

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

6 Resources expended (continued)

	Staff costs £ 000	Premises £ 000	Other costs £ 000	Total 2015 £ 000	Total 2014 £ 000
Academy's educational operations					
Direct costs	4,801	328	479	5,608	5,603
Allocated support costs	986	541	416	1,943	1,444
	5,786	870	895	7,551	7,048
Governance costs including allocated support costs	2	-	40	41	22
	5,791	870	988	7,648	7,103

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

6 Resources expended (continued)

Net incoming/outgoing resources for the year include:

	2015 £ 000	2014 £ 000
Fees payable to auditor - audit	8	7
- other audit services	1	2

7 Charitable activities

	Total 2015 £ 000	Total 2014 £ 000
Direct costs		
Teaching and educational support staff costs	4,801	4,680
Depreciation	328	262
Educational supplies	108	136
Examination fees	106	93
Staff development	8	5
Other direct costs	257	427
	5,608	5,603
Allocated support costs		
Support staff costs	844	681
FRS 17 service cost adjustment	142	71
Maintenance of premises and equipment	295	141
Cleaning	39	9
Rent and rates	170	140
Insurance	38	44
Recruitment and support	4	2
Security and transport	51	52
Catering	122	103
Bank interest and charges	2	1
Interest on defined benefit pension scheme	70	64
Other support costs	166	137
	1,943	1,444
	7,551	7,048

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

8 Governance costs

	Total 2015 £ 000	Total 2014 £ 000
Legal and professional fees	30	10
Auditors' remuneration		
Audit of financial statements	8	7
Other audit services	1	2
Responsible officer audit	1	1
Support costs	2	2
	41	22

9 Staff

Staff costs

	2015 £ 000	2014 £ 000
Staff costs during the year were:		
Wages and salaries	4,631	4,401
Social security costs	316	314
Pension costs	795	683
Supply teacher costs	50	31
Staff restructuring costs	-	10
	5,791	5,439

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2014: £10,000). Individually, the payments were:

Non-contractual payments £Nil

9 Staff (continued)

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

	2015 No	2014 No
Charitable Activities		
Teachers	75	72
Administration and support	93	86
Management	9	9
	177	167

The number of employees whose emoluments (excludes pension contributions) fell within the following bands was:

	2015 No	2014 No
£60,001 - £70,000	2	2
£100,001 - £110,000	1	1

3 of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £34,040.

10 Central services

The Academy Trust has provided the following central services to its academies during the year:

•Finance
•Premises management
•Clerking and governance
•Human Resources services

The Academy Trust charges for these services on the following basis:
A flat percentage of each school's GAG income is deducted as a contribution towards central services. The percentage agreed for Eggbuckland Community College is 3% and for Austin Farm Primary School it is 4.5%.

The actual amounts charged during the year were as follows:

	2015 £ 000
Eggbuckland Community College Academy Trust	61
Austin Farm Academy	22
	83

11 Related party transactions - Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and 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:

Katrina Borowski (Principal):

Remuneration: £120,000 - £125,000 (2014 - £120,000 - £125,000)
Employer's pension contributions: £15,000 - £20,000 (2014 - £15,000 - £20,000)

Steven Buckler (Staff governor):

Remuneration: £45,000 - £50,000 (2014 - £45,000 - £50,000)
Employer's pension contributions: £5,000 - £10,000 (2014 - £5,000 - £10,000)

David Todd (Staff governor):

Remuneration: £20,000 - £25,000 (2014 - £15,000 - £20,000)
Employer's pension contributions: £0 - £5,000 (2014 - £0 - £5,000)

During the year ended 31 August 2015, no travel and expenses were reimbursed to 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 governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost is included in insurance costs for the year.

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

13 Tangible fixed assets

	Freehold land and buildings £ 000	Furniture and equipment £ 000	Motor vehicles £ 000	Computer equipment £ 000	Total £ 000
Cost					
At 1 September 2014	13,039	89	1	64	13,192
Additions	569	77	-	23	669
Inherited assets	1,433	11	-	7	1,451
Disposals	-	-		-	
At 31 August 2015	15,041	176	1	93	15,311

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

13 Tangible fixed assets (continued)

	Freehold land and buildings £ 000	Furniture and equipment £ 000	Motor vehicles £ 000	Computer equipment £ 000	Total £ 000
Depreciation					
At 1 September 2014	223	18		21	262
Charge for the year	262	35		31	328
Eliminated on disposals	-	-		-	
At 31 August 2015	485	53		52	590
Net book value					
At 31 August 2015	14,556	123	1	42	14,721
At 31 August 2014	12,815	71	1	43	12,930

14 Debtors

	2015 £ 000	2014 £ 000
Trade debtors	6	25
Prepayments	31	39
Accrued grant and other income	79	67
VAT recoverable	145	38
Other debtors	-	2
	261	171

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

15 Creditors: amounts falling due within one year

	2015 £ 000	2014 £ 000
Trade creditors	167	30
Other taxation and social security	213	185
Other creditors	4	48
Accruals	243	40
Deferred income	32	-
	659	302

	2015 £ 000
Deferred income	
Resources deferred in the period	32

Deferred income represents income received in advance for Universal Infant Free School Meals (UIFSM) and a sports grant. These will be released and utilised in the next academic year.

16 Funds

	Balance at 1 September 2014 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2015 £ 000
Restricted general funds					
General Annual Grant (GAG)	182	6,335	(6,110)	(116)	291
LA and other restricted grants	124	235	(614)	340	85
	306	6,570	(6,724)	224	376
Restricted fixed asset funds					
Assets purchased since conversion	34	-	(259)	668	444
Assets transferred from the LA	12,896	1,451	(69)	-	14,277
DfE / EFA capital grants	25	33	-	(57)	1
Other capital grants	7	619	-	(553)	73
	12,962	2,102	(328)	59	14,795
Restricted pension funds					
Pension reserve	(2,350)	-	(212)	(462)	(3,024)

16 Funds (continued)

	Balance at 1 September 2014 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2015 £ 000
Total restricted funds	10,918	8,672	(7,264)	(179)	12,147
Unrestricted funds					
Unrestricted general funds	108	455	(385)	57	236
Total funds	11,026	9,127	(7,648)	(122)	12,383

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015

Analysis of academies by fund balance

Fund balances at 31 August 2015 were allocated as follows:

	Total £ 000
Eggbuckland Community College Academy Trust	597
Austin Farm Academy	15
Total before fixed assets and pension reserve	612
Assets purchased since conversion	14,795
Pension reserve	(3,024)
Total	12,383

Analysis of academies by cost

Expenditure incurred by each academy during the year was as follows:

	Teaching and Educational Support Staff Costs £ 000	Other Support Staff Costs £ 000	Educational Supplies £ 000	Other Costs (excluding Depreciation) £ 000	Total £ 000
Eggbuckland Community College Academy Trust	4,422	886	99	1,246	6,653
Austin Farm Academy	379	21	9	175	584
Central services	-	83	-	-	83
Academy Trust	4,801	990	108	1,421	7,320

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

17 Analysis of net assets between funds

Fund balances at 31 August 2015 are represented by:

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	14,721	14,721
Current assets	895	376	74	1,345
Current liabilities	(659)	-	-	(659)
Pension scheme liability	-	(3,024)	-	(3,024)
Total net assets	236	(2,648)	14,795	12,383

18 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2015 £ 000	2014 £ 000
Net income	1,478	13,240
Depreciation	328	262
Capital grants	(651)	(38)
Donated capital	(1,451)	(13,149)
FRS 17 interest on defined benefit pension scheme	70	64
FRS17 service cost adjustment	142	71
Increase in debtors	(90)	(171)
Increase in creditors	357	302
Transfer of opening pension liability on conversion	340	-
Net cash inflow from operating activities	522	582

19 Returns on investments and servicing of finance

	2015 £ 000	2014 £ 000
Interest received	1	1
Net cash inflow from returns on investments and servicing of finance	1	1

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

20 Capital expenditure and financial investment

	2015 £ 000	2014 £ 000
Purchase of tangible fixed assets	(669)	(44)
Sale of tangible fixed assets		-
Capital grants from DfE	33	24
Capital grants from others	619	14
Net cash outflow from capital expenditure and financial investment	(17)	(6)

21 Analysis of changes in net funds

	At 1 September 2014 £ 000	Cash flows £ 000	At 31 August 2015 £ 000
Cash at bank and in hand	577	506	1,084

22 Members' liability

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

23 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 Devon 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 was 31 March 2004 and of the LGPS 31 March 2013.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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.

23 Pension and similar obligations (continued)

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to TPS in the period amounted to £422,553(2014: £415,358).
A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £314,000 of which employer's contributions totalled £233,000 and employees' contributions totalled £81,000. The agreed contribution rates for future years are £2,000 plus 14.3% for employers and 5.5% to 7.5% for employees.

23 Pension and similar obligations (continued)

Principal actuarial assumptions

	At 31 August 2015 %	At 31 August 2014 %
Rate of increase in salaries	4.50	4.50
Rate of increase for pensions in payment/inflation	2.70	2.70
Discount rate for scheme liabilities	4.00	4.00
Inflation assumptions (CPI)	2.70	2.70
RPI increases	3.60	3.50

Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

	+ 0.1%	0.0%	- 0.1%
Adjustment to discount rate	**£ 000**	**£ 000**	**£ 000**
Present value of total obligation	4,818	4,961	5,109
Projected service cost	388	400	412
	+ 0.1%	**0.0%**	**- 0.1%**
Adjustment to rate of inflation	**£ 000**	**£ 000**	**£ 000**
Present value of total obligation	5,082	4,961	4,844
Projected service cost	412	400	388
	+ 0.1%	**0.0%**	**- 0.1%**
Adjustment to rate of salary growth	**£ 000**	**£ 000**	**£ 000**
Present value of total obligation	4,990	4,961	4,933
Projected service cost	400	400	400

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

	At 31 August 2015	At 31 August 2014
Retiring today		
Males retiring today	22.80	22.70
Females retiring today	26.10	26.00
Retiring in 20 years		
Males retiring in 20 years	25.10	24.90
Females retiring in 20 years	28.40	28.30

The Academy Trust's share of the assets and liabilities in the scheme were:

23 Pension and similar obligations (continued)

	At 31 August 2015 £ 000	At 31 August 2014 £ 000
Equities	1,109	828
Gilts	95	77
Other bonds	96	57
Property	208	135
Cash	45	29
Other	384	265
Total market value of assets	1,937	1,391
Present value of scheme liabilities - funded	(4,961)	(3,741)
Deficit in the scheme	(3,024)	(2,350)

The expected rates of return were:

	At 31 August 2015 %	At 31 August 2014 %
Equities	6.00	6.70
Gilts	6.00	3.00
Other bonds	6.00	3.60
Property	6.00	5.90
Cash	6.00	2.90
Other	6.00	5.90

The expected return on assets is based on the long-term future expected investment return for each asset class at the beginning of the period. The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect the default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actual return on scheme assets was (£21,000).

23 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2015 £ 000	2014 £ 000
Current service cost	(375)	(267)
Total operating charge	(375)	(267)

Analysis of pension finance income/(costs)

	2015 £ 000	2014 £ 000
Expected return on pension scheme assets	(240)	73
Interest on pension liabilities	170	(137)
Pension finance costs	(70)	(64)

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is (£1,212,000) (2014 - (£1,090,000)).

Movements in the present value of defined benefit obligation

	2015 £ 000	2014 £ 000
At 1 September	3,741	2,748
Current service cost	375	267
Interest cost	170	137
Employee contributions	81	70
Actuarial losses	1	519
Benefits paid	(63)	-
Curtailments and settlements	656	-
At 31 August	4,961	3,741

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

	2015 £ 000	2014 £ 000
At 1 September	1,391	1,017
Expected return on assets	416	73
Actuarial (losses)/gains	(121)	35
Employer contributions	233	196
Employee contributions	81	70
Benefits paid	(63)	-
At 31 August	1,937	1,391

The estimated value of employer contributions for next period is £236,000 (2014 - £193,000).

23 Pension and similar obligations (continued)

History of experience adjustments

	2015 £ 000	2014 £ 000
Experience adjustments arising on scheme assets	(121)	35
Experience adjustments arising on scheme liabilities	-	-

Comparative figures have not been restated as permitted by FRS 17.

24 Related party transactions

Owing to the nature of the Academy Trust'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 member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

25 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the EFA. In the accounting period ending 31 August 2015 the trust received £33,813 and disbursed £33,136 from the fund. An amount of £Nil is included in other creditors relating to undistributed funds that is repayable to EFA.

26 Conversion to an Academy Trust

On 1 March 2015 the Austin Farm Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Eggbuckland Community College Academy Trust from the Plymouth City Council Local Authority for £Nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities and an analysis of their recognition in the SOFA.

26 Conversion to an Academy Trust (continued)

	Unrestricted fund £ 000	Restricted general fund £ 000	Restricted fixed asset fund £ 000	Total £ 000
Tangible fixed assets				
Freehold land and buildings	-	-	1,451	1,451
Budget surplus on LA funds	54	-	301	355
Budget surplus on other school funds	-	15	-	15
LGPS pension deficit	-	(340)	-	(340)
Net assets/(liabilities)	54	(325)	1,752	1,481

The above net assets include £370,201 that were transferred as cash.