

Company Registration No. 07909140 (England and Wales)

**BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2015**

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

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BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Bishop of Durham's Representative Durham Board of Finance's Representative Area Dean of Wearmouth Deanery Benedict Biscop CE Academy Chair of Board of Governors
Trustees	M Stouph (Vice Chair) P Thompson (Accounting officer) Rev D Tolhurst (Chair) (Appointed 14 October 2014) J Murray S Holden J Logan A Atkinson J Farnsworth Rev S Thorp Councillor C Marshall E Whelam-Tate (Staff trustee) L Norton (Staff trustee) J Little C Mitchell J Mulvaney (Resigned 14 October 2014) H Anderson (Appointed 2 December 2014)
Senior management team	
- Principal	P Thompson
- Vice Principal	S Armstrong
- Assistant Vice Principal	G Clark
- Academy Business Manager	H Swinhoe (appointed 27 August 2014)
Company secretary	C Henderson
Company registration number	07909140 (England and Wales)
Principal address	Marcross Drive Moorside Sunderland Tyne & Wear SR3 2RE
Independent auditor	Evolution Business and Tax Advisors LLP Wynyard Park House Wynyard Avenue Wynyard TS22 5TB
Bankers	Lloyds Bank plc 25 Gresham Street London EC2V 7HN

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

BHP Law LLP
Kepier House
Belmont Business Park
Durham
County Durham
DH1 1TW

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The trustees present their annual report together with the audited financial statements and auditor's report of the charitable company for the period 1st September 2014 until 31 August 2015. The annual report serves the purposes of both a trustees report, and a directors' report under company law.

The Trust operates a Church of England Academy for pupils aged 3-11 years, serving a community in South Sunderland, admitting pupils who are wholly or mainly drawn from the area in which the school is situated. The Academy provides education for pupils of different abilities. The Academy has a curriculum satisfying the requirements of Section 1: Academies Act 2010 [balanced and broad based curriculum]. The Academy is at the heart of the community, promoting British values.

The Academy has a pupil capacity of 210 with 30 pupils in nursery and had a roll of 258 in the school census on 15th January 2015.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity (company number 07909140). The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust. The articles of association require the members of the Charitable Company to be responsible for the statutory and constitutional affairs of the charitable company and management of the Academy.

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

Details of the Trustees who served throughout the period between 1st September 2014 and 31st August 2015, except as noted, are included in the Reference and Administrative Details on Page 1.

Members' liability

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

Trustees' indemnities

Every trustee of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted by the court from liability for negligence default, breach of duty or breach of trust in relation to the affairs of the Academy Trust.

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Method of recruitment and appointment or election of Trustees

Membership is determined in accordance with the composition set out in Article 12 onwards. This states that the Academy Trust is comprised as follows:

- 4 Members
 - o 1 of whom is the Chair of Trustees
- 9 Foundation Trustees
 - o 1 ex-officio appointed by Area Dean of Wearmouth
 - o 2 Deanery Synod appointed by Wearmouth Deanery Executive
 - o 3 Foundation Parents appointed by other Foundation Trustees supported by Area Dean of Wearmouth
 - o 2 Board of Education representatives appointed by the Board of Education
 - o 1 Bishop of Durham representative appointed by the Bishop of Durham through Director of Education
- 7 Non-Foundation Trustees
 - o 2 Staff Trustees elected by staff employed at the Academy
 - o 2 Parent Trustees elected by parents of pupils registered at the Academy
 - o 2 co-opted appointed by the Board of Trustees and/or the Academy Trust Members
 - o 1 ex-officio being the Principal

The Academy Trust Members are responsible for appointing the 9 Foundation trustees in discussion with the body they represent. The Principal is responsible for ensuring elections of Parent [Articles 53-58] and Staff Trustees [Articles 50A] are held in accordance with procedures. The full Board of Governors are responsible for co-opting up to 2 trustees onto the Academy Trust whose skills are invaluable to the Academy under Article 59. The Principal should be treated for all purposes as being an Ex-Officio Trustee.

The term of office of any Trustee shall be 4 years. The limit shall not apply to the Principal. Notwithstanding this, any Trustee may be reappointed or re-elected.

Policies and procedures adopted for the induction and training of Trustees

A formal policy for induction and training of Trustees has been agreed, in addition, training is provided by South Tyneside Council through their training programme [which is open to all trustees]. The following training has specifically taken place for our trustees:

- Induction of newly appointed Trustees provided by South Tyneside Local Authority
- Assessment/RAISE Online
- Governor Mark
- Inspection and the role of Trustees
- E-Safety
- Safer recruitment of staff

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Organisational structure

The Academy's unified management structure consist of 3 levels: the Trustees, the Senior Leadership Team [SLT] and the Academy Business Manager.

The trustees are responsible for determining general policy, adopting an annual School Improvement Plan following a self-evaluation review, monitoring the practices and procedures adopted by the Academy, determining strategic direction of the academy, capital expenditure and senior staff appointments. They delegate the day to day operational management to the SLT who follow policies determined by and adopted by the trustees.

The SLT consists of the Principal, Vice Principal and Assistant Vice Principal. They are supported by the Inclusion Manager and Foundation Stage Leader. The SLT lead and manage the Academy at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The Principal and Trustees are responsible for authorisation of spending with agreed budgets as stated in the Scheme of Delegation and Finance Handbook and the appointment of staff.

The Academy Business Manager is responsible for the management of the financial systems, sourcing additional funds, ensuring efficient and effective use of resources. The Academy Business Manager is responsible for authorisation of spending up to agreed limits as stated in the Scheme of Delegation and Finance Handbook. The Academy Business Manager is responsible for the management of all support staff and efficient operation of the school office.

The Principal is the Accounting Officer.

Related parties and other connected charities and organisations

Trustees have declared no business interests to date and where any trustees should declare an interest, procedures are in place to address this. The Academy have adopted a policy that if there are any interests declared, the trustee would remove themselves from the decision making process.

Related parties at Benedict Biscop Church of England Academy are the Diocese, the Deanery and the church community, with regular information sent to the Diocesan Director of Education.

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Objectives and activities

Objects and aims

The principal objective and activity of the charitable company, Benedict Biscop Church of England Academy is to provide education for pupils of different abilities between the ages of 3-11. In accordance with the articles of association the charitable company has adopted a "Scheme of Governance" approved by the Secretary of State for Education.

Benedict Biscop Church of England Academy is non-selective and offers all pupils a broad curriculum. The pupils who attend live mainly in the Doxford Ward of the City of Sunderland, although during 2014-15, families who wished to apply for a Church place could do so if they resided in the Wearmouth Deanery. This category has been removed from September 2015. To assist academic achievement and to support parents returning to work or part time/ full time education, the Academy operates a breakfast club, after school care facilities and flexible wrap around nursery provision. The Academy also offers its pupils activities and experiences beyond the school day, many pupils of all ages participate in a variety of experiences which enhance learning and social development.

The Academy organises various visits to develop learning beyond the classroom and there is a developing partnership with China with 1 teacher visiting this year and 10 other European countries through an Erasmus project to raise global awareness and educate pupils about cultural differences and similarities. Pupils have travelled to Belgium, Spain and Greece during this year. The Principal has visited Singapore with a national group of Principals, attending 8 primary schools evaluating the standard of Mathematics and programmes of study.

Mission

The Academy will create a safe, stimulating and happy learning environment within which all members of our school family realise their potential, aspiring to excellence in all aspects of life, in the light of the Christian faith.

School Aims

- To promote Christian values within the school as exemplified by the life and teaching of Jesus Christ, so that everyone develops confidence in their own ability, with healthy self-esteem, working collaboratively, showing tolerance, commitment, responsibility, respect and care for everyone.
- To stimulate in each child a sense of curiosity and excitement about the world and to encourage him/her to search for truth, meaning and purpose in life and to provide an opportunity to search for a faith by which to live.
- To encourage each member of the school community to develop their full potential by promoting the highest standards of achievement in all areas, to enable pupils to grow and achieve fullness of life through discovering and developing their talents.
- To provide a broad and balanced curriculum which will develop lively enquiring minds to prepare each child to meet the challenges of the future with confidence.
- To provide a welcoming, stimulating learning environment in which the contributions of all members of the school community are valued and celebrated.
- To develop strong links and positive relationships with Trustees, parents, the Church, local industry and local communities.

Our values are developed through the curriculum and made real in our daily lives.

Objectives, strategies and activities

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance and public benefit.

Objectives for 2015-16 specifically are as follows and are linked to the Academy Improvement Plan.

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

- Maintain high standards across school, ensuring new assessment is secure. Raise standards of attainment and continue to accelerate progress in Mathematics across school to secure greater % pupils making accelerated progress, deepening understanding through a mastery approach. To halt a possible declining trend in writing.
- To embed improvement in reading attainment, with particular reference to high attainers.
- Sustain the high quality of learning and teaching in all classes and settings across the whole school, with particular focus on mathematics and high attainers across the curriculum, deepening understanding through a mastery approach..
- Introduce/embed new assessments across school in all curriculum areas, to ensure pupils continue to attain highly and secure at least good outcomes. Embed new curriculum, deepening understanding through a mastery approach.
- Develop and introduce new e. safety curriculum which secures development of safer practices of children, in accordance with Keeping Children Safe in education.
- Continue to build capacity for leadership. Senior and middle leaders improving their monitoring and effectiveness securing at least good outcomes for pupils. Develop subject leadership.
- Attain Governor mark.

Public benefit

The academy trust's trustees confirm they have complied with their duty to have due regard to the guidance on public benefit as published by the Charity Commission in exercising their powers or duties. The standard of education offered to all pupils is outstanding and is referenced in the following section.

Strategic report

Achievements and performance

2014-15 The Academy has continued to attain high standards – well above national in all areas, demonstrating outstanding progress and attainment.

Ofsted 2012 - Outstanding in all areas

Statutory Inspection Anglican Schools 2012 - Outstanding in all areas

Gold Arts Mark Award - September 2013

Gold Investors in People - February 2014

Early Years Review – March 2014, March 2015 [Outstanding]

Full International Award – August 2014

RE Quality Mark Gold October 2014

Basic Skills 6 Award October 2014

Rights Respecting Award March 2015

Gold Anti-Bullying Charter Mark July 2015

KidSafe February 2015

Early Years Basic Skills 2015

Teaching and Learning in all Key Stages outstanding [internal self-evaluation]

Phonics Screen 2015 results [Year 1]

School	Pass	National
100%		74%

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Key Stage 1 2015 results	*Level 2+		Level 3	
	School	National	School	National
Reading	94%	91%	41%	30%
Writing	94%	87%	38%	16%
Mathematics	97%	93%	32%	24%

Key Stage 2 2015 results	*Level 4+		Level 5		Level 6	
	School	National	School	National	School	National
Reading	97%	88%	83%	49%	0%	0%
Grammar, Punctuation and Spelling	97%	76%	87%	53%	28%	4%
Mathematics	97%	86%	66%	42%	24%	9%

*age related expectation

These figures are yet to be validated by the Department for Education.

Aspirational targets are set for KS2 based on Family Fischer Trust Data [FFTD+] at the end of KS2, attainment at the end of KS2 is consistently outstanding overall.

The number of pupils, attaining Level 4 in both English and Mathematics [93%] in line with expectations indicating that measures introduced through intervention for less able pupils are successful. The number of pupils, attaining Level 5 in both English and Mathematics [58%] exceeded expectations by 5%. 10% pupils attained Level 6, in both English and Mathematics, indicating that measures put in place to challenge more able pupils are successful.

In order to further challenge pupils and to accelerate progress, a greater number of pupils were entered for Level 6 standardised tests [2015], 3 pupils attaining L6 in Writing, 9 pupils in Grammar, Punctuation and Spelling, and 8 pupils in Mathematics.

2015 progress KS1 to KS2 was outstanding overall. 100% pupils made 2 levels progress in English [11% above target] and 97% in Mathematics [12% above target] - well above local and national statistics. Pupils making 3 levels progress is improving and is high... Grammar, Punctuation and Spelling [85%], Reading [35%], Mathematics [55%], Writing [38%].

Pupils making 4 levels progress is improving. Grammar, Punctuation and Spelling [7%], Reading [3%] and in Mathematics [3%], Writing [7%].

This has been a focus of school improvement. There has been a significant number of pupils making 3 levels progress in both English and Mathematics due to an increase in good/outstanding teaching, an aspirational curriculum and through more accurate teacher assessment based on assessment in English across a wide curriculum range.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Attendance is 97.67% [2014 95.9%]. During this year there has been a focus on attendance, working with a new team which has resulted in only 6 pupils [including 1 nursery] having attendance below 90%. There has been 1 pupil with attendance below 85% [persistent absence] for specific medical reason.

Key Performance Indicators

Most of the Academy's income is received from the Education Funding Agency [EFA] in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31st August 2015 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities on page 24. Details of all grants and income received can be found in notes 2 to 5.

During the year ended 31st August 2015 expenditure amounting to £1,177,323 was incurred or accrued, including depreciation. This was offset by grants receivable from the EFA, the Local Authority and income from the breakfast club, afterschool clubs and wrap around nursery education used to ensure this business is sustainable.

At 31st August 2015 the net book value of fixed assets was £273,975. The assets were used to exclusively to provide education and associated services to the pupils of the Academy.

Going concern

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

Financial review

The Academy made operating surpluses in the year to 31st August 2015 of £12,236 on unrestricted funds and £77,166 on restricted general funds. Fund balances held at 31st August 2015 were £399,819, comprising restricted reserves of £355,110 and unrestricted reserves of £64,709.

Total income excluding the donated assets in the period was £1,203,659 of which £965,715 came from the EFA revenue grants and £97,223 from other government grants. As the majority of the grant income is generated by pupil numbers it is imperative to ensure that pupil numbers remain high, vacancies are filled and as the school is oversubscribed Trustees are able to consider a longer term strategy.

The Trustees of the Academy Trust have reviewed and adopted the following policies relating to Finance and Governance during 2014-15:

- Scheme of Delegation
- Academy Finance Handbook
- Anti-Bribery Policy
- Investment Policy
- Lettings Policy
- Charging Policy
- Freedom Of Information
- Gifts and Hospitality
- Hospitality and Venue
- Overseas Gifts and Hospitality

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Reserves policy

The Trustees are responsible for determining the level of financial reserves to be carried forward at the end of any financial period. The Trustees have delegated the monitoring of potential period end reserves to the Finance, Personnel and Resource management Committee as part of their terms of reference.

The Trustees will ensure that the levels of reserves that can be carried forward at the end of the financial period will be in line with the guidance received from the DfE/EFA on the treatment of General Annual Grant [GAG] income and other grants.

The Trustees will always try to match income with expenditure in the current period and will only carry forward reserves that it considers are necessary for future period's expenditure. The Trustees will consider the School Improvement Plan for capital developments required. The Trustees may accumulate reserve funds raised from private sources to defray for the benefit of the Academy in future years.

At the meeting of the Finance and Resource Management Committee on 24th May 2012 it was agreed that the Academy should aim to carry a prudent level of resources designed to meet long term cyclical need of renewal and any unforeseen contingencies, subject to the constraint that the level of resources does not exceed the level permitted by the EFA. This is discussed annually.

The Academy are aiming to build up a reserve of about £50k over a 5 year period. This is approximately 1 month staffing salary costs. We have a policy of replacing and improving the building for the benefit of the pupils currently within the Academy and consider this to be a reasonable amount.

The Academy Trust reserves have been used in 2014-15 to provide a library for the whole school, replace windows in the Year 6 classroom, create external doors for 4 classrooms, develop a nursery kitchen and provide a sound system within the main school hall as well as general maintenance of the building.

The reserves policy will be reviewed annually.

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Investment policy and powers

There have been no investments during 2014-15. Any investments to be made will be invested according to the investment policy.

The Academy has an approved Investment Policy and if the Academy is able to generate better returns than currently provided in the deposit account, it may undertake other investments. All investments, outside of the deposit account, will be made on a risk-averse basis, taking ethical considerations into account and need Governing Body approval.

The aim of this policy is to ensure that funds which the academy does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the school's income but without risk. Our aim is to spend the publicly funded monies with which we are entrusted for the direct educational benefit of students as soon as is prudent. The Academy does not consider the investment of surplus funds as a primary activity, rather it is the result of best practice as and when circumstances allow.

The Academy will construct such budgets and cash flow forecasts as are required by legislation to ensure the viability and sustainability of the activities of the Academy. From time to time, operational and strategic decisions related to the education of pupils at Benedict Biscop Church of England Academy will result in substantial cash balances at the bank over a sustained period. These periods are identified by the Academy Business Manager as part of the normal forecasting activity and, when identified, will result in the Academy making an investment in accordance with any guidance provided in the Academy's Financial Handbook.

Prior to investing funds the Principal and Finance, Personnel and Resource management Committee must be satisfied that the cash flow predictions provided by the Academy Business Manager are accurate and that the amount/time period of the investment will not compromise the viability and sustainability of the activities of the school.

In making decisions regarding where and how any surplus funds should be invested, due regard will be given to the "risk that the return on investments is not being maximised" and the "risk that trustees are not acting in accordance with the Investment Policy (e.g. investing in high risk investments which are not in the best interests of the Academy)".

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Principal risks and uncertainties

The Academy maintains a risk management plan which is reviewed by the Finance, Personnel and Resource management Committee to ensure satisfactory arrangements are in place to manage the risk.

In February 2015 the Academy adopted the Risk Protection Arrangements provided by the DfE.

There is an annual review of all risk management issues led by various staff e.g. Site Development Officer, Academy Business Manager and teaching staff. However, there is ongoing review in response to situations or new legislation or information.

During 2014-15, an external Health and Safety audit indicated minimum risks and best practice, as did an external visual Safeguarding Inspection.

The Academy considers all risks and the Trustees have implemented a number of systems to assess risks that may impact the Academy, especially in operational areas, e.g. in relation to teaching, management of IT security, safeguarding, health and safety, educational school visits, and in relation to the control of finance. They have introduced systems, including operational procedures [e.g. Foundation Stage access, management of vehicles on site and a mobile phone free zone] and internal financial controls. The Trustees are satisfied that systems are in place to mitigate exposure to major risks.

The Academy has worked closely with Evolution Accountants to ensure financial systems are secure. In order to maintain the professional status of the new Academy Business Manager, a programme of CPD has been successful and there has been minimal risk to the business during this period. As a result all practices and procedures have been reviewed to secure further efficiency.

During 2014-15, 3 middle leaders have achieved NPQML and 1 senior leader has been designated a Specialist Leader of Education which is ensuring outcomes for pupils remain outstanding and the school's capacity to support improvement in other schools remains high.

The Academy 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 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.

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Plans for future periods

The School Improvement Plan clearly states objectives to maintain the highest standards of achievement of all pupils whilst ensuring the school moves forward within a rapidly changing world:

Priority 1

- Maintain high standards across school, ensuring new assessment is secure. Raise standards of attainment and continue to accelerate progress in Mathematics across school to secure greater % pupils making accelerated progress, deepening understanding through a mastery approach. To halt a possible declining trend in writing.
- To embed improvement in reading attainment, with particular reference to high attainers.

Priority 2

- Sustain the high quality of learning and teaching in all classes and settings across the whole school, with particular focus on mathematics and high attainers across the curriculum, deepening understanding through a mastery approach.

Priority 3

- Introduce/embed new assessments across school in all curriculum areas, to ensure pupils continue to attain highly and secure at least good outcomes. Embed new curriculum, deepening understanding through a mastery approach.

Priority 4

- Develop and introduce new e. safety curriculum which secures development of safer practices of children, in accordance with Keeping Children Safe in education.

Priority 5

- Continue to build capacity for leadership. Senior and middle leaders improving their MONITORING and effectiveness securing at least good outcomes for pupils. Develop subject leadership.
- Attain Governor mark.

This will be achieved through a programme of continuing professional development during 2015-2016. All performance management targets are linked to the achievement of the above. Sustain outstanding teaching, learning and assessment through monitoring, coaching and mentoring.

Funds held as custodian trustee on behalf of others

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity organisation.

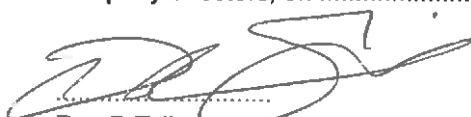
Auditor

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.

The Auditors were appointed (July 2014) following a tender process. Evolution were awarded a 3 year contract.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 03.12.2015 and signed on its behalf by:



Rev D Tolhurst
Chair

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

Scope of responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 6 times during 2014-15. Attendance during the period at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
M Stouph (Vice Chair)	5	6
P Thompson (Accounting officer)	6	6
Rev D Tolhurst (Chair) (Appointed 14 October 2014)	6	6
J Murray	3	6
S Holden	4	6
J Logan	6	6
A Atkinson	6	6
J Farnsworth	4	6
Rev S Thorp	3	6
Councillor C Marshall	5	6
E Whelam-Tate (Staff trustee)	6	6
L Norton (Staff trustee)	6	6
J Little	3	6
C Mitchell	4	6
J Mulvaney (Resigned 14 October 2014)	0	1
H Anderson (Appointed 2 December 2014)	4	4

The chair of the board of trustees resigned from the board of trustees. Rev. Tolhurst was elected chair of the board of trustees in October 2014 following this resignation.

One vacancy has arisen during 2014-15 following this resignation. This has been filled by a foundation trustee. There is still a vacancy for a co-opted Trustee.

The newly elected chair of the board of trustees, alongside the principal has reviewed the policies and procedures, including code of conduct with all trustees.

Following a skills audit completed by all trustees, interviews with the chair of the board of trustees were held in the spring term. This has enabled effective roles and responsibilities to be redefined, with new trustees linked with key areas of school.

The evaluation undertaken during the year has resulted in the board of trustees evaluating their own performance and impact across school, as identified by the Governor Mark scheme. An action plan has determined future plans and areas for development to maintain outstanding leadership. Self-evaluation will continue during 2015-2016 with an external assessment/review.

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

The finance, personnel and resource management committee is a sub-committee of the main board of trustees. Its purpose is to ensure efficient and effective use of resources whilst seeking ways to ensure outstanding sustainable provision.

During the year Rev. Tolhurst, the newly elected chair of the board of trustees, joined the committee.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
M Stouph (Vice Chair)	5	7
P Thompson (Accounting officer)	7	7
Rev D Tolhurst (Chair) (Appointed 14 October 2014)	5	5
J Murray	5	7
S Holden	4	7
J Farnsworth	6	7

The finance, personnel and resource management committee fulfils the function of an audit committee to review the risks to internal financial control, agree a programme of work that will address any such risks and ensure work is undertaken to inform the statement of internal control in order to provide assurance to the external auditors. Following internal assurance audits, the trustees reviewed a minority of low risk findings.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
M Stouph (Vice Chair)	2	2
P Thompson (Accounting officer)	2	2
Rev D Tolhurst (Chair) (Appointed 14 October 2014)	2	2
J Murray	1	2
S Holden	2	2
J Farnsworth	1	2

Review of value for money

As accounting officer the principal has responsibility for ensuring 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 trusts use of its resources have provided good value for money during each academic year and reports to the board of trustees where the 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:

- Restructure staffing in office to ensure roles and responsibilities are clear with savings made on salaries following new appointments
- Evaluation of the PE curriculum has ensured that arrangements for coaches, swimming and the use of transport is more efficient with considerable savings to the curriculum budget, to be assigned towards supporting parents with educational visits as the academy is funding such visits with nominal voluntary contributions.
- Savings to the academy from maternity absences, where one post was not replaced for part of the maternity absence and where a senior position was replaced by an internal member of staff taking on greater responsibility, resulted in savings on the budget during the year to be carried forward for necessary building work to upgrade provision for the school.

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Benedict Biscop Church of England Academy for the period of 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 trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 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 Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

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

The board of trustees has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However, the trustees have engaged a termly internal assurance review from the external auditors, which includes a range of checks on the Academy Trust's financial systems.

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

- testing of accounts and reconciliations systems
- testing of risk management processes
- testing of purchasing systems
- testing of payroll systems
- testing of corporate governance
- testing of income recording systems
- testing of control of the academy bank accounts
- testing of the management of data

On a termly basis the auditor reports the finance, personnel and resource management committee, on behalf of the full board of trustees, on the operation of systems of control and on the discharge of the board of trustees' financial responsibilities.

The trustees confirm that the external auditor has delivered the schedule of work as planned and that there have been no material control issues arising as a result of any internal assurance work during the year.

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Review of effectiveness

As accounting officer, the principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the internal assurance reviews;
- the work of the external auditor;
- the financial management and governance self-assessment process; and
- 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, personnel and resource management committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The board of trustees have conducted an analysis of overall effectiveness, identified within the Framework for Governor Mark 2014-2015. The board of trustees have evaluated their own effectiveness against the criteria referenced and an action plan is in place to ensure outstanding leadership is sustained.

Following a review of data during this year, the trustees identified a need for trustee training for the board of trustees. This was undertaken in February 2015 by an external consultant.

Following a review of British Values during this year, the trustees identified a need for trustee training for the board of trustees. This was undertaken in February 2015 by an external consultant, with a review of the academy's curriculum to ensure these are being taught explicitly.

Approved by order of the board of trustees on 08.12.2015 and signed on its behalf by:



P Thompson
Accounting officer



Rev D Tolhurst
Chair

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2015

As accounting officer of Benedict Biscop Church of England Academy, I have considered my responsibility to notify the boards of trustees and the Education Funding Agency [EFA] of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook.

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

Approved on 3.12.15 and signed by:



P Thompson
Accounting Officer

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2005
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the board of trustees on 3.12.15 and signed on its behalf by:



Rev D Tolhurst
Chair

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

We have audited the accounts of Benedict Biscop Church of England Academy for the year ended 31 August 2015 set out on pages 24 to 43. 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) and the Academies Accounts Direction 2015 issued by the EFA.

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 charitable company'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 Trustees' Responsibilities Statement set out on page 19, the Trustees, who are also the directors of Benedict Biscop Church of England Academy for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts 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 accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts 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 accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- 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 in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

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

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

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 accounts 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.

Evolution

Graham Fitzgerald BA FCA DChA (Senior Statutory Auditor)
Evolution Business and Tax Advisors LLP

Chartered Accountants
Statutory Auditor
Wynyard Park House
Wynyard Avenue
Wynyard
TS22 5TB

Dated: *9/12/15*

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 28 August 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Benedict Biscop Church of England Academy during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Benedict Biscop Church of England Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Benedict Biscop Church of England Academy's funding agreement with the Secretary of State for Education dated 23 January 2012 and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- completion of self assessment questionnaire by Accounting Officer
- discussions with the Accounting Officer and finance team
- review of termly Internal Assurance reports
- review of governing body and committee minutes
- review of finance and other relevant policies
- review of purchases and expenses on a sample basis
- review of credit and debit card transactions
- review of leases and other agreements

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY 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 period 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Evolution

Reporting Accountant

Evolution Business and Tax Advisors LLP

Dated: ...9/12/15.....

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	Unrestricted funds £	Restricted funds £	Fixed Asset funds £	Total 2015 £	Total 2014 £
Incoming resources						
<i>Resources from generated funds</i>						
- Voluntary income	2	4,744	-	-	4,744	3,573
- Activities for generating funds	3	61,995	-	-	61,995	90,189
- Investment income	4	262	-	-	262	203
<i>Resources from charitable activities</i>						
- Funding for educational operations	5	14,216	1,115,728	6,714	1,136,658	1,108,118
Total incoming resources		81,217	1,115,728	6,714	1,203,659	1,202,083
Resources expended						
<i>Costs of generating funds</i>						
- Fundraising trading	6	54,765	-	-	54,765	80,592
<i>Charitable activities</i>						
- Educational operations	7	14,216	1,018,063	69,780	1,102,059	1,033,719
Governance costs	8	-	20,499	-	20,499	28,963
Total resources expended	6	68,981	1,038,562	69,780	1,177,323	1,143,274
Net incoming/(outgoing) resources before transfers		12,236	77,166	(63,066)	26,336	58,809
Gross transfers between funds		-	(27,446)	27,446	-	-
Net income/(expenditure) for the year		12,236	49,720	(35,620)	26,336	58,809
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension scheme	17	-	-	-	-	59,000
Net movement in funds		12,236	49,720	(35,620)	26,336	117,809
Fund balances at 1 September 2014		52,473	11,415	309,595	373,483	255,674
Fund balances at 31 August 2015		64,709	61,135	273,975	399,819	373,483

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

All of the academy's activities derive from continuing operations during the two financial periods above.

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

BALANCE SHEET

AS AT 31 AUGUST 2015

	Notes	2015		2014	
		£	£	£	£
Fixed assets					
Tangible assets	11		273,975		309,595
Current assets					
Debtors	12	72,153		41,516	
Cash at bank and in hand		215,381		237,966	
		<u>287,534</u>		<u>279,482</u>	
Current liabilities					
Creditors: amounts falling due within one year	13	(58,690)		(114,594)	
Net current assets			<u>228,844</u>		<u>164,888</u>
Net assets excluding pension liability			<u>502,819</u>		<u>474,483</u>
Defined benefit pension liability	17		(103,000)		(101,000)
Net assets			<u><u>399,819</u></u>		<u><u>373,483</u></u>
Funds of the academy trust:					
Restricted funds	15				
- Fixed asset funds			273,975		309,595
- General funds			164,135		112,415
- Pension reserve			(103,000)		(101,000)
Total restricted funds			<u>335,110</u>		<u>321,010</u>
Unrestricted income funds	15		<u>64,709</u>		<u>52,473</u>
Total funds			<u><u>399,819</u></u>		<u><u>373,483</u></u>

The accounts were approved by order of the board of trustees and authorised for issue on 3.12.15


Rev D Tolhurst
Chair

Company Number 07909140

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 £
Net cash inflow/(outflow) from operating activities	18	4,599	137,917
Returns on investments and servicing of finance			
Investment income		262	203
Net cash inflow/(outflow) from returns on investments and servicing of finance		262	203
		4,861	138,120
Capital expenditure and financial investments			
Capital grants received		6,714	10,472
Payments to acquire tangible fixed assets		(34,160)	(31,349)
Net cash flow from capital activities		(27,446)	(20,877)
Increase/(decrease) in cash	19	(22,585)	117,243

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

1.1 Basis of preparation

The accounts 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.

1.2 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 accounts.

1.3 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.

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable, where there is certainty of receipt and the value of the donation is measurable.

Donations

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

Other income

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

Donated services and gifts in kind

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

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

1.4 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.

Costs 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.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

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 on a straight-line basis over its expected useful life, as follows:

Land and buildings	Not depreciated
Building improvements	2.5% straight line
Computer equipment	33% straight line
Fixtures, fittings and equipment	12.5% - 20% straight line

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

The academy trust company occupies land (including buildings) which are owned by the Durham Diocesan Board of Finance (the DDBF) as Site Trustees. The DDBF also sit as a Member on the academy trust company. The academy trust company occupies the land (and buildings) under a mere licence called a church supplemental agreement. The parties to this agreement are the Secretary of State for Education, the DDBF, the academy trust and the Durham Diocesan Board of Education (the DDBE). The DDBE is a party as it is the 'appropriate Diocesan Authority (for the purposes of the Education Acts) for the academy trust, as it was previously when the academy trust was a maintained voluntary aided school. This continuing permission of the DDBF to occupy the land is pursuant to, and subject to, the DDBE's charitable objects, and is part of the Church of England's contribution to provide State funded education in partnership with the State. The church supplemental agreement delegates aspects of the management of the land (and buildings) to the academy trust company for the time being, but does not vest any rights over the land in the academy trust company. The Trustees have given an undertaking to the Secretary of State that they will not give the academy trust company less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the academy trust company is occupying the land (and buildings) the directors have concluded that the value of the land and buildings occupied by the academy trust company will not be recognised on the balance sheet of the company.

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.

1.6 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.7 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.

1.8 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 17, 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 are recognised as they are paid each year.

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

The LGPS is a funded scheme and the assets are held separately from those of the academy 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.

1.9 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 and Department for Education where the asset acquired or created is held for a specific purpose.

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

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Other donations	4,744	-	4,744	3,573
	<u>4,744</u>	<u>-</u>	<u>4,744</u>	<u>3,573</u>

3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Catering income	22,435	-	22,435	47,273
Music tuition	9,584	-	9,584	9,759
Educational trips	11,056	-	11,056	12,257
Other income	18,920	-	18,920	20,900
	<u>61,995</u>	<u>-</u>	<u>61,995</u>	<u>90,189</u>

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

4 Investment income	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £	
Short term deposits	262	-	262	203	
5 Funding for the academy trust's educational operations					
	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £	
DfE / EFA grants					
General annual grant (GAG)	-	869,090	869,090	857,891	
Capital grants	-	6,714	6,714	10,472	
Other DfE / EFA grants	-	96,625	96,625	50,147	
	-	972,429	972,429	918,510	
Other government grants					
Local authority grants	-	90,509	90,509	123,695	
Other funds					
Other incoming resources	14,216	59,504	73,720	65,913	
Total funding	14,216	1,122,442	1,136,658	1,108,118	
6 Resources expended					
	Staff costs £	Premises & equipment £	Other costs £	Total 2015 £	Total 2014 £
Academy's educational operations					
- Direct costs	653,152	-	96,587	749,739	673,849
- Allocated support costs	132,879	122,263	97,178	352,320	359,870
	786,031	122,263	193,765	1,102,059	1,033,719
Other expenditure					
Costs of activities for generating funds	13,199	-	41,566	54,765	80,592
Governance costs	-	-	20,499	20,499	28,963
	13,199	-	62,065	75,264	109,555
Total expenditure	799,230	122,263	255,830	1,177,323	1,143,274

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

6 Resources expended		(Continued)			
Net income/(expenditure) for the year includes:		2015	2014		
		£	£		
Operating leases					
- Plant and machinery		5,965	5,630		
Fees payable to auditor					
- Audit		5,000	5,000		
- Other services		4,200	4,200		
		<u> </u>	<u> </u>		
7 Charitable activities		Unrestricted funds	Restricted funds	Total 2015	Total 2014
		£	£	£	£
Direct costs					
Teaching and educational support staff costs	14,216	619,868	634,084	612,140	
Technology costs	-	27,936	27,936	16,040	
Educational supplies and services	-	58,765	58,765	25,426	
Staff development	-	19,068	19,068	8,769	
Educational consultancy	-	4,207	4,207	8,032	
Other direct costs	-	5,679	5,679	3,442	
	<u>14,216</u>	<u>735,523</u>	<u>749,739</u>	<u>673,849</u>	
Allocated support costs					
Support staff costs	-	132,879	132,879	128,406	
Depreciation	-	69,780	69,780	78,942	
Recruitment and support	-	450	450	1,958	
Maintenance of premises and equipment	-	52,483	52,483	32,590	
Cleaning	-	9,948	9,948	10,283	
Energy costs	-	17,583	17,583	18,222	
Rent and rates	-	8,129	8,129	7,965	
Insurance	-	8,983	8,983	19,541	
Security and transport	-	1,969	1,969	1,581	
Catering	-	37,778	37,778	12,379	
Interest and finance costs	-	(9,000)	(9,000)	(1,000)	
Other support costs	-	21,338	21,338	49,003	
	<u>-</u>	<u>352,320</u>	<u>352,320</u>	<u>359,870</u>	
	<u>14,216</u>	<u>1,087,843</u>	<u>1,102,059</u>	<u>1,033,719</u>	
Total costs	<u>14,216</u>	<u>1,087,843</u>	<u>1,102,059</u>	<u>1,033,719</u>	

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

8 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Legal and professional fees	-	6,642	6,642	15,763
Auditor's remuneration				
- Audit of financial statements	-	5,000	5,000	5,000
- Other audit costs	-	4,200	4,200	4,200
Other governance costs	-	4,657	4,657	4,000
	-	20,499	20,499	28,963

9 Staff costs

	2015 £	2014 £
Wages and salaries	612,574	595,341
Social security costs	39,925	36,938
Other pension costs	98,072	96,012
	750,571	728,291
Supply teacher costs	29,043	20,578
Staff development and other staff costs	19,616	9,336
Total staff costs	799,230	758,205

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

	2015 Number	2014 Number
Teachers	18	19
Administration and support	5	4
Management	3	3
	26	26

The number of employees whose annual remuneration was £60,000 or more was:

	2015 Number	2014 Number
£70,001 - £80,000	1	1

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

9 Staff costs

(Continued)

Of the employees above, the number participating in pension schemes and the employers' contributions paid on their behalf were as follows:

		2015	2014
Teachers' Pension Scheme	Numbers	1	1
	£	11,262	10,617

10 Trustees' remuneration and expenses

The headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff, and not in respect of their services as Trustees. No trustees received any expenses payments during the year (2014: £-).

The value of Trustees' remuneration was as follows:

P Thompson (principal)

Remuneration £75,001 - £80,000 (2014: £75,001 - £80,000)

Employer's pension contributions £10,001 - £15,000 (2014: £10,001 - £15,000)

L Norton (staff)

Remuneration £20,001 - £25,000 (2014: 20,001 - £25,000)

Employer's pension contributions £1 - £5,000 (2014: £1 - £5,000)

E Whelam-Tate (staff)

Remuneration £25,001 - £30,000 (2014: £20,001 - £25,000)

Employer's pension contributions £1 - £5,000 (2014: £1 - £5,000)

Other related party transactions involving the Trustees are set out within the related parties note.

Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2015 was £636 (2014: £636).

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

11 Tangible fixed assets	Building improve- ments £	Computer equipment £	Fixtures, fittings and equipment £	Total £
Cost				
At 1 September 2014	79,412	107,574	309,218	496,204
Additions	13,261	4,508	16,391	34,160
At 31 August 2015	<u>92,673</u>	<u>112,082</u>	<u>325,609</u>	<u>530,364</u>
Depreciation				
At 1 September 2014	-	75,410	109,204	186,609
Charge for the year	-	23,753	44,042	69,780
At 31 August 2015	<u>-</u>	<u>99,163</u>	<u>153,246</u>	<u>256,389</u>
Net book value				
At 31 August 2015	<u>92,673</u>	<u>12,919</u>	<u>172,363</u>	<u>273,975</u>
At 31 August 2014	<u>77,417</u>	<u>32,164</u>	<u>200,014</u>	<u>309,595</u>
12 Debtors			2015	2014
			£	£
VAT recoverable			27,264	14,790
Prepayments and accrued income			44,889	26,726
			<u>72,153</u>	<u>41,516</u>
13 Creditors: amounts falling due within one year			2015	2014
			£	£
Trade creditors			23,873	72,114
Other creditors			143	567
Accruals			9,602	12,150
Deferred income			25,072	29,763
			<u>58,690</u>	<u>114,594</u>

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

14 Deferred income	2015 £	2014 £
Deferred income is included within:		
Creditors due within one year	25,072	29,763
Total deferred income at 1 September 2014	29,763	34,772
Amounts credited to the statement of financial activities	(29,763)	(34,772)
Amounts deferred in the year	25,072	29,763
Total deferred income at 31 August 2015	25,072	29,763

At the year end the academy was holding rates funding, Universal Infant Free School Meals Grant relating to the next academic year.

15 Funds	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2015 £
Restricted general funds					
General Annual Grant	107,624	869,090	(791,906)	(27,446)	157,362
Other DfE / EFA grants	-	96,625	(96,625)	-	-
Other government grants	1,535	90,509	(90,509)	-	1,535
Other restricted funds	3,256	59,504	(57,522)	-	5,238
Funds excluding pensions	112,415	1,115,728	(1,036,562)	(27,446)	164,135
Pension reserve	(101,000)	-	(2,000)	-	(103,000)
	11,415	1,115,728	(1,038,562)	(27,446)	61,135
Restricted fixed asset funds					
DfE / EFA capital grants	26,337	6,714	(4,074)	-	28,977
Inherited fixed asset fund	164,316	-	(47,310)	-	117,006
Capital expenditure from GAG or other funds	118,942	-	(18,396)	27,446	127,992
	309,595	6,714	(69,780)	27,446	273,975
Total restricted funds	321,010	1,122,442	(1,108,342)	-	335,110
Unrestricted funds					
General funds	52,473	81,217	(68,981)	-	64,709
Total funds	373,483	1,203,659	(1,177,323)	-	399,819

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

15 Funds

(Continued)

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

General Annual Grant must be used for the normal running costs of the academy. 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.

Other DfE grants includes universal infant free school meals funding, PE and Sports Grant, Pupil Premium and GTP funding.

Other government grants includes SEN funding and Early Years Grants from the Local Authority.

Other restricted funds include Educare, Breakfast and After School Clubs and Schoolz Out Funding.

The pension reserve reflects the LGPS transactions. The costs and income associated with the defined benefit pension scheme have been recorded in the restricted fund. Staff costs are paid from this fund, including contributions to the LGPS, and the pension liability has therefore been aligned with these funds.

DfE/EFA capital grants represent Devolved Formula Capital receivable during the period which has been utilised on building developments.

The inherited fixed asset fund reflects the fixed assets acquired on conversion. Depreciation on these assets is charged against this fund.

Capital expenditure has also been funded by GAG. Transfers between these funds are reflected in the gains, losses and transfers column.

Unrestricted funds can be used for any purpose at the discretion of the academy.

The academy's unrestricted and general restricted funds, excluding pension fund, were £228,844 as at 31 August 2015.

16 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Fixed asset funds	Total funds
	£	£	£	£
Fund balances at 31 August 2015 are represented by:				
Tangible fixed assets	-	-	273,975	273,975
Current assets	64,709	222,825	-	287,534
Creditors falling due within one year	-	(58,690)	-	(58,690)
Defined benefit pension liability	-	(103,000)	-	(103,000)
	<u>64,709</u>	<u>61,135</u>	<u>273,975</u>	<u>399,819</u>

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations

The academy trust'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 the Tyne and Wear Pension Fund. Both are multi-employer 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 that of the LGPS related to the period ended 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.

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 the TPS in the period amounted to £60,827 (2014: £56,496).

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

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations

(Continued)

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 14.1 per cent for employers and 5.5 to 12.5 per cent for employees. The estimated value of employer contributions for the forthcoming year is £26,000 (2014: £24,000).

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.

Contributions made	2015 £	2014 £
Employer's contributions	25,000	34,000
Employees' contributions	12,000	11,000
Total contributions	<u>37,000</u>	<u>45,000</u>

Principal actuarial assumptions	2015 %	2014 %
Rate of increase in salaries	3.6	3.6
Rate of increase for pensions in payment	2.1	2.1
Discount rate for scheme liabilities	3.8	3.7
Inflation assumption (CPI)	2.1	2.1

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

	2015 Years	2014 Years
Retiring today		
- Males	23.1	23.0
- Females	24.7	24.6
Retiring in 20 years		
- Males	25.1	25.0
- Females	27.0	26.9

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations

(Continued)

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

	2015 Expected return %	2015 Fair value £	2014 Expected return %	2014 Fair value £
Equities		305,844	7.5	276,864
Government bonds		16,632	2.9	14,420
Corporate bonds		53,592	3.3	47,380
Cash		14,784	1.1	10,712
Property		42,966	6.8	37,492
Other assets		28,182	7.5	25,132
		<u>462,000</u>		<u>412,000</u>
Total market value of assets		462,000		412,000
Present value of scheme liabilities - funded		(565,000)		(513,000)
		<u>(103,000)</u>		<u>(101,000)</u>
Net pension asset / (liability)		(103,000)		(101,000)

The adoption of FRS 102 in the next accounting period removes the requirement to recognise an expected return on assets item in the profit and loss charge. This item will be replaced with a net financing charge which is based on the discount rate assumption. As the expected return on assets is based on the assumption at the start of the accounting period, assumptions for the expected return on assets are not required at 31 August 2015.

Amounts recognised in the statement of financial activities

	2015 £	2014 £
Operating costs/(income)		
Current service cost (net of employee contributions)	36,000	40,000
Past service cost	-	-
	<u>36,000</u>	<u>40,000</u>
Finance costs/(income)		
Expected return on pension scheme assets	(28,000)	(25,000)
Interest on pension liabilities	19,000	24,000
	<u>(9,000)</u>	<u>(1,000)</u>
Total charge/(income)	<u>27,000</u>	<u>39,000</u>

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations (Continued)

Actuarial gains and losses recognised in the statement of financial activities

	2015 £	2014 £
Actuarial (gains)/losses on assets: actual return less expected	15,000	-
Experience (gains)/losses on liabilities	-	(59,000)
(Gains)/losses arising from changes in assumptions	(15,000)	-
	<u> </u>	<u> </u>
Total (gains)/losses	-	(59,000)
	<u> </u>	<u> </u>
Cumulative (gains)/losses to date	(38,000)	(38,000)
	<u> </u>	<u> </u>

Movements in the present value of defined benefit obligations

	2015 £	2014 £
Obligations at 1 September 2014	(513,000)	(497,000)
Current service cost	(36,000)	(40,000)
Interest cost	(19,000)	(24,000)
Contributions by employees	(12,000)	(11,000)
Actuarial gains/(losses)	15,000	59,000
	<u> </u>	<u> </u>
At 31 August 2015	(565,000)	(513,000)
	<u> </u>	<u> </u>

Movements in the fair value of scheme assets

	2015 £	2014 £
Assets at 1 September 2014	412,000	342,000
Expected return on assets	28,000	25,000
Actuarial gains/(losses)	(15,000)	-
Contributions by employers	25,000	34,000
Contributions by employees	12,000	11,000
	<u> </u>	<u> </u>
At 31 August 2015	462,000	412,000
	<u> </u>	<u> </u>

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations		(Continued)		
History of experience gains and losses				
	2015	2014	2013	
	£	£	£	
Present value of defined benefit obligations	(565,000)	(513,000)	(421,000)	
Fair value of share of scheme assets	462,000	412,000	256,000	
Surplus / (deficit)	<u>(103,000)</u>	<u>(101,000)</u>	<u>(165,000)</u>	
Experience adjustment on scheme assets	(15,000)	-	(2,000)	
Experience adjustment on scheme liabilities	-	59,000	-	
	<u>-</u>	<u>44,000</u>	<u>(2,000)</u>	
18 Reconciliation of net income to net cash inflow/(outflow) from operating activities				
		2015	2014	
		£	£	
Net income		26,336	58,809	
Capital grants and similar income		(6,714)	(10,472)	
Investment income		(262)	(203)	
Defined benefit pension costs less contributions payable		11,000	6,000	
Defined benefit pension finance costs/(income)		(9,000)	(1,000)	
Depreciation of tangible fixed assets		69,780	78,942	
(Increase)/decrease in debtors		(30,637)	33,662	
Increase/(decrease) in creditors		(55,904)	(27,821)	
Net cash inflow/(outflow) from operating activities		<u>4,599</u>	<u>137,917</u>	
19 Reconciliation of net cash flow to movement in net funds				
		2015	2014	
		£	£	
Increase/(decrease) in cash		(22,585)	117,243	
Net funds at 1 September 2014		237,966	120,723	
Net funds at 31 August 2015		<u>215,381</u>	<u>237,966</u>	
20 Analysis of net funds				
	At 1 September	Cash flows	Non-cash	At 31 August
	2014		changes	2015
	£	£	£	£
Cash at bank and in hand	237,966	(22,585)	-	215,381
	<u>237,966</u>	<u>(22,585)</u>	<u>-</u>	<u>215,381</u>

BENEDICT BISCOP CHURCH OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

21 Commitments under operating leases

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

	2015	2014
	£	£
Expiry date:		
- Between two and five years	5,455	4,544

22 Related parties

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 the academy trust has 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.

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

The academy trust company occupies land (including buildings) which are owned by the Durham Diocesan Board of Finance (the DDBF) as Site Trustees. The DDBF also sit as a Member on the academy trust company. The academy trust company occupies the land (and buildings) under a mere licence called a church supplemental agreement. The parties to this agreement are the Secretary of State for Education, the DDBF, the academy trust and the Durham Diocesan Board of Education (the DDBE). The DDBE is a party as it is the 'appropriate Diocesan Authority' (for the purposes of the Education Acts) for the academy trust, as it was previously when the academy trust was a maintained voluntary aided school. This continuing permission of the DDBF to occupy the land is pursuant to, and subject to, the DDBE's charitable objects, and is part of the Church of England's contribution to provide State funded education in partnership with the State. The church supplemental agreement delegates aspects of the management of the land (and buildings) to the academy trust company for the time being, but does not vest any rights over the land in the academy trust company. The Trustees have given an undertaking to the Secretary of State that they will not give the academy trust company less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the academy trust company is occupying the land (and buildings) the directors have concluded that the value of the land and buildings occupied by the academy trust company will not be recognised on the balance sheet of the company.

23 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 or she is a member, or within three years after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.