

REGISTERED COMPANY NUMBER: 07721594 (England and Wales)

**REPORT OF THE GOVERNORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 AUGUST 2015
FOR
THE CORBET SCHOOL**

McLintocks Limited
Statutory Auditor
46 Hamilton Square
Birkenhead
Merseyside
CH41 5AR

THE CORBET SCHOOL

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2015**

MEMBERS

Mr C J Jones
Mr J M Golland
Mr R G Ford - Chairman

GOVERNORS

Mr P N Adams - Head Teacher
Mrs A L Angell-James (resigned 30.9.14)
Mrs S E Beckett
Mrs K J M Bevan
Mr N M Boniface
Mr A Davies
Mr R G Ford - Chairman
Mr J M Golland
Mr M T Harte
Mrs L Jenno
Mr A Johnson
Mr C J Jones
Miss T Langley (resigned 20.3.15)
Mrs E J Saul (resigned 8.6.15)
Mrs H T Scarisbrick
Mrs S M Shepherd
Mr A G Wright
Mr R D Bothwell (appointed 2.2.15)
Ms N H Jebb (appointed 2.2.15)
Miss J D Kear (appointed 18.5.15)

COMPANY SECRETARY

Mr K Rendell

SENIOR LEADERSHIP TEAM

Mr P N Adams - Head Teacher
Mrs A Millward - Assistant Head Teacher
Mr K Rendell - Business Manager
Mr G Simms - Assistant Head teacher
Dr J Tinker - Deputy Head Teacher

REGISTERED OFFICE

Eyton Lane
Baschurch
Shrewsbury
Shropshire
SY4 2AX

REGISTERED COMPANY NUMBER

07721594 (England and Wales)

INDEPENDENT AUDITORS

McIntocks Limited
Statutory Auditor
46 Hamilton Square
Birkenhead
Merseyside
CH41 5AR

SOLICITORS

Browne Jacobson LLP
Victoria Square House
Victoria Square
Birmingham
B2 4BU

THE CORBET SCHOOL

REPORT OF THE GOVERNORS for the Year Ended 31 August 2015

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and History

The Corbet School is an exempt charity and a company limited by guarantee, not having a share capital. Every member undertakes to contribute an amount not exceeding £10 to the assets of the company in the event of the company being wound up during the period of membership, or within one year thereafter.

The principal activity of The Corbet School is to establish, maintain and develop a secondary school for children of appropriate school age, offering a broad based and balanced curriculum for the benefit of individuals living in Baschurch and the surrounding area.

In addition it will also provide the public with facilities for recreation or other leisure activity in the interest of social welfare, with the objective of improving the condition of life of the said individuals.

The Corbet School was originally a local authority operated school, with periods as 'Grant Maintained' and 'Foundation' school. It was founded in 1957 and converted to academy status on 1st September 2011. The charitable company was incorporated on 28th July 2011.

The Academy School is governed by rules and regulations set down in its company Memorandum and Articles of Association dated 8th August 2011.

Method of recruitment and appointment or election of Governors

The Governors have set up procedures that will enable regular reviews of the mix of skills that should be available to the board. New governors will then be sought with these skills, either as additional governors or replacement governors when existing governors stand down. It is anticipated that the great majority of new governors will be drawn from the local community being either parents or guardians of pupils at the school or others that have shown an interest in the future well being of the school and its pupils. Recruitment is therefore likely to be a combination of approaches to individuals with known skills and by wider communications to those within Baschurch and the surrounding area.

There are four categories of Governor, 'Parent', 'Staff', 'Community', and 'Co-opted' Parents and Staff. Governors are nominated by election, with Community and Co-opted Governors by nomination. The term of office for any Governor shall be 4 years, save that this time limit will not apply to the Head Teacher.

The Board of Governors will carry out regular audits to identify skills, knowledge and experience present within the collective. At the time of recruitment the Governors will seek to attract any skills that are missing from the Board collectively.

The Corbet School supports both individual and groups of governors, in attending training courses and conferences organised by appropriate bodies in order to ensure their knowledge and understanding is fully up to date.

THE CORBET SCHOOL

REPORT OF THE GOVERNORS for the Year Ended 31 August 2015

STRUCTURE, GOVERNANCE AND MANAGEMENT

Operations

The School Leadership Team, together with other managerial colleagues prepare both annual and long term development plans which are presented for approval to the relevant Committees and the Board of Governors.

Each committee has Terms of Reference, which outline the responsibilities, and the delegated authority limits where applicable. The Terms of Reference are reviewed annually at the start of the academic year.

The Board of Governors consists of 18 Governors including the Head Teacher. There are 4 Staff Governors (including the Head Teacher), 6 Parent Governors, 5 Community Governors and 3 Co-opted Governors. In order for a quorum to be present there must be at least 50% of the Governors present at a meeting. This rises to 2/3rds of those currently in post for the elections to committees which usually takes place during the first Board meeting of the year.

The Finance & Personnel Committee has a membership of 10 Governors of which 4 must be present to reach a quorum. The main responsibilities are in respect of financial policy and operations which are detailed in the School Finance Manual, and receiving reports from the Responsible Officer. Personnel responsibilities include the annual review of the staff establishment, introduction and review of personnel policies and procedures, together with all industrial relations.

The Building & Maintenance Committee has a membership of 9 Governors of which 4 must be present to reach a quorum. The main responsibilities are in respect of the maintenance and development of the premises and grounds. In addition the committee is responsible for all aspects of Health & Safety and for the school catering provision.

The Curriculum Committee has a membership of 9 Governors of which 4 must be present to reach a quorum. The main responsibilities are in respect of reviewing the school curriculum, setting objectives and monitoring pupil performance against those targets which will include academic, attendance and behaviour measures.

The Staff Pay Committee has a membership of 7 Governors of which 4 must be present to reach a quorum. Staff members are not eligible for this committee. The main responsibility is in regard to staff pay regulations, and to consider individual pay and grade reviews, with the exception of the Head Teacher.

The Head Teachers Performance Review Committee has a membership 6 Governors of which 3 must be present to reach a quorum. Staff members are not eligible for this committee. The committee is responsible for the agreement of the Head Teacher's performance objectives after considering advice from the School Improvement Partner. They will also monitor performance against objectives in the Head's performance review.

The Admissions Committee has a membership of 6 Governors of which 3 must be present to reach a quorum. The committee is responsible for the School Admissions Policy and the allocation of school places for the following school year. The committee will also consider appeals from unsuccessful applicants.

The Marketing Committee has a membership of 6 Governors of which 4 must be present to reach a quorum. The committee is responsible for the school marketing including the School Prospectus and mandatory publications.

The Staff Dismissal Committee has a membership of 6 Governors of which 3 must be present to reach a quorum. The Chair of the Board of Governors and Staff members are not eligible for this committee. The committee is involved in the disciplinary and grievance procedures for staff.

The Staff Dismissal Appeals Committee has a membership of 6 Governors of which 3 must be present to reach a quorum. The Chair of the Board of Governors will lead the committee. The committee is responsible for hearing any appeal against a Decision of the Staff Dismissal committee, or any appeal against a decision of another committee, an individual Governor or the Head Teacher.

The Complaints Committee will be formed as required and will require a quorum of 3 Governors who have not previously been directly involved with the matter concerned. Staff members are not eligible for this committee. The committee shall consider any formal complaint that the Head Teacher and the Chair of Governors have been unable to resolve under the school complaints procedure.

Connected organisations, including related party relationships

The charitable company has no formal links with any related parties, however it does co-operate with other local primary and secondary schools to advance the quality of education for all pupils.

The charitable company does not have representation on any other body.

THE CORBET SCHOOL

REPORT OF THE GOVERNORS for the Year Ended 31 August 2015

STRATEGIC REPORT

Principal risks and uncertainties

The risks are actively managed by a programme of Risk Management & Internal Controls.

Financial and risk management objectives and policies

The school manages the risk to its Capital Funds by limiting investments to Bank/Building Society accounts where there is no risk to the capital invested.

Surplus funds are held in interest bearing accounts and transferred to support expenditure in accordance with the monthly cash flow reconciliation.

The school usually operates on a 30 days credit terms and has monitoring systems in place to manage outstanding amounts.

The Local Government Pension Scheme is the major liability, although this has been underwritten by Central Government.

Future developments

Future Strategy

The Governors' long term goal for The Corbet School is for it to remain a very successful rural community comprehensive, delivering the highest quality of education. The school wants to remain popular with local parents and carers, keeping its numbers stable or increasing slightly. The school should be the natural first choice for all pupils in the area. Pupils at the school should continue to achieve highly and make excellent progress. The school will encourage all pupils to achieve to the best of their abilities.

We aim to deepen existing positive relationships with our feeder primary schools, looking for new opportunities to work together. We are exploring the possibility of forming a multi academy trust with our primary schools.

We wish to attract and retain good quality staff, and provide them with excellent opportunities for professional development.

The school will behave in a fiscally responsible manner ensuring that its budget remains balanced, and we will also seek to attract additional funding to help improve the fabric of the school.

Future Activities

The school will continue to explore and use positively our academy freedoms to enhance the educational experience of students in the school. The school will continue to upgrade and improve its infrastructure as funding becomes available.

FUNDS HELD AS CUSTODIAN FOR OTHERS

Although the charitable company maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors, and other funders, The Corbet School does not hold, and the governors do not anticipate that it will in the future hold, any funds as custodian for any third party.

AUDITORS

The auditors, McLintocks Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the governors, incorporating a strategic report, approved by order of the board of governors, as the company directors, on 14/12/15 and signed on the board's behalf by:



Mr R G Ford - Chairman - Governor

THE CORBET SCHOOL

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015

Scope of Responsibility

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

The Board of Governors has delegated the day-to-day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Corbet School and the Secretary of State for Education. They are also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

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

Governor	Meetings attended	Out of a possible
Phil Adams	6	6
Shelly Becket	6	6
Kirsten Bevan	4	6
Neal Boniface	6	6
Roger Bothwell	5	6
Adrian Davies	5	6
John Golland	5	6
Roger Ford	6	6
Terry Harte	5	6
Nicola Jebb	5	5
Lindsay Jenno	6	6
Andy Johnson	5	6
Chris Jones	1	6
Julia Kear	2	2
Tracey Langley	2	3
Emma Saul	3	5
Helen Scarisbrick	4	6
Sonya Shepherd	6	6
Alan Wright	6	6

The Finance and General Purpose Committee is a sub-committee of the main Board of Governors. Its purpose is to provide the finance and management control for the Academy.

Attendance at meetings during the year was as follows:

Phil Adams	6	6
Shelly Becket	3	6
Neal Boniface	6	6
John Golland	6	6
Roger Ford	5	6
Lindsay Jenno	4	6
Andy Johnson	4	6
Chris Jones	2	6

Review of Value for Money

As Accounting Officer the Head Teacher has responsibility for ensuring that the Academy continues to deliver value for money in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. The Accounting officer considers how the Academy's use of resources has provided good value for money during each academic year, and reports to the Board of Governors where value for money can be improved. Data benchmarking and local school comparisons are utilised to drive improvement where available.

The Accounting Officer has delivered improved value for money during the current year in many ways, including the following:-

THE CORBET SCHOOL

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
for the Year Ended 31 August 2015**

As Accounting Officer of The Corbet School I have considered my responsibility to notify the Academy Board of Governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy 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 Board of Governors are able to identify any material irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook.

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



Mr P N Adams - Accounting Officer

Date: 10/12/15

THE CORBET SCHOOL

STATEMENT OF GOVERNORS RESPONSIBILITIES for the Year Ended 31 August 2015

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

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

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


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

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

In so far as the Governors are aware:

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

Approved by order of the Board of Governors on 14/12/15 and signed on its behalf by:


Mr R G Ford - Chairman - Governor

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
THE CORBET SCHOOL AND THE EDUCATION FUNDING AGENCY**

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

This report is made solely to The Corbet School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Corbet School 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 Corbet School and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Corbet School's Accounting Officer and the reporting accountant

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

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

Approach

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

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

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

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

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.

McIntocks Limited
46 Hamilton Square
Birkenhead
Merseyside
CH41 5AR

Date:

THE CORBET SCHOOL

BALANCE SHEET
At 31 August 2015

					2015	2014
	Notes	Unrestricted fund £	Restricted funds £	Restricted fixed asset fund £	Total funds £	Total funds £
FIXED ASSETS						
Tangible assets	13	-	-	4,718,145	4,718,145	4,661,456
CURRENT ASSETS						
Stocks	14	865	-	-	865	865
Debtors	15	370	24,432	-	24,802	209,706
Cash at bank and in hand		<u>72,047</u>	<u>170,530</u>	<u>11,279</u>	<u>253,856</u>	<u>401,250</u>
		73,282	194,962	11,279	279,523	611,821
CREDITORS						
Amounts falling due within one year	16	-	(158,857)	-	(158,857)	(111,797)
NET CURRENT ASSETS		<u>73,282</u>	<u>36,105</u>	<u>11,279</u>	<u>120,666</u>	<u>500,024</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		73,282	36,105	4,729,424	4,838,811	5,161,480
PENSION LIABILITY	20	-	(853,000)	-	(853,000)	(775,000)
NET ASSETS		<u>73,282</u>	<u>(816,895)</u>	<u>4,729,424</u>	<u>3,985,811</u>	<u>4,386,480</u>
FUNDS	19					
Unrestricted funds:						
General fund					73,282	62,849
Restricted funds:						
General					36,105	222,355
Fixed assets					4,729,424	4,876,276
Pension reserve					<u>(853,000)</u>	<u>(775,000)</u>
					<u>3,912,529</u>	<u>4,323,631</u>
TOTAL FUNDS					<u>3,985,811</u>	<u>4,386,480</u>

The financial statements were approved by the Board of Governors on 14/12/15 and were signed on its behalf by:



Mr R G Ford - Chairman-Governor

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 August 2015

1. RECONCILIATION OF NET (OUTGOING)\INCOMING RESOURCES TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2015	2014
	£	£
Net (outgoing)\incoming resources	(361,669)	287,532
Depreciation charges	151,291	152,246
Capital grants from DfE/EFA	(4,000)	(405,000)
Interest received	(318)	(1,225)
Decrease in stocks	-	1,061
Decrease/(increase) in debtors	184,904	(162,355)
Increase/(decrease) in creditors	47,060	(169,958)
Difference between pension charge and cash contributions	39,000	38,000
Net cash inflow/(outflow) from operating activities	<u>56,268</u>	<u>(259,699)</u>

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

	2015	2014
	£	£
Returns on investments and servicing of finance		
Interest received	<u>318</u>	<u>1,225</u>
Net cash inflow for returns on investments and servicing of finance	<u>318</u>	<u>1,225</u>
 Capital expenditure and financial investment		
Purchase of tangible fixed assets	(207,980)	(155,430)
Capital grants from DfE/EFA	<u>4,000</u>	<u>405,000</u>
Net cash (outflow)/inflow for capital expenditure and financial investment	<u>(203,980)</u>	<u>249,570</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.9.14	Cash flow	At 31.8.15
	£	£	£
Net cash:			
Cash at bank and in hand	401,250	(147,394)	253,856
	<u> </u>	<u> </u>	<u> </u>
Total	<u>401,250</u>	<u>(147,394)</u>	<u>253,856</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets costing £1,000 or more are capitalised at cost 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/reducing balance basis over its expected useful life, as follows:

Land	Not depreciated
Freehold buildings	2% straight line
Fixtures, fittings and equipment	15-20% straight line
ICT equipment	20-33.3% straight line
Property improvements	5% straight line

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

Stocks

Stationery, unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

Taxation

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

Fund accounting

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

Restricted General funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the Education Funding Agency and the Department for Education.

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

Leased assets

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

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

THE CORBET SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

4. INVESTMENT INCOME

	2015 £	2014 £
Deposit account interest	<u>318</u>	<u>1,225</u>

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

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
DfE/EFA revenue grant				
General Annual Grant(GAG)	-	3,000,792	3,000,792	3,102,209
Other DfE/EFA grants	<u>-</u>	<u>110,400</u>	<u>110,400</u>	<u>119,531</u>
	-	3,111,198	3,111,198	3,221,740
Other government grant				
Special educational projects	-	58,655	58,655	73,558
Local Authority grants				
Other grants	<u>-</u>	<u>88,885</u>	<u>88,885</u>	<u>45,115</u>
	<u>-</u>	<u>3,258,738</u>	<u>3,258,738</u>	<u>3,340,413</u>

6. RESOURCES EXPENDED

	Staff costs £	Non-pay expenditure Premises £	Other costs £	2015 Total £	2014 Total £
Costs of generating funds					
Fundraising trading: cost of goods sold and other costs	-	-	1,263	1,263	2,569
Investment management costs	-	-	10,579	10,579	-
Charitable activities					
Academies educational operations					
Direct costs	2,070,834	-	299,808	2,370,642	2,303,411
Allocated support costs	<u>759,981</u>	<u>115,202</u>	<u>381,778</u>	<u>1,256,961</u>	<u>1,143,876</u>
	2,830,815	115,202	693,428	3,639,445	3,449,856
Governance costs including allocated support costs	<u>-</u>	<u>-</u>	<u>7,237</u>	<u>7,237</u>	<u>28,233</u>
	<u>2,830,815</u>	<u>115,202</u>	<u>700,665</u>	<u>3,646,682</u>	<u>3,478,089</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

10. GOVERNORS' REMUNERATION AND BENEFITS

There were no governors' remuneration or other benefits for the year ended 31 August 2015 nor for the year ended 31 August 2014.

Head Teacher and Staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and do not in respect of their services as governors. The Head Teacher's remuneration was £76,053 for the year ended 31 August 2015. The Head Teacher is accruing retirement benefits under the Teachers' Pension Scheme and contributions paid in the year amounted to £10,723.

The value of Governors' remuneration was as follows

N Boniface	£45,000 - £50,000
S Shepherd	£35,000 - £40,000

Governors' expenses

There were no Governors expenses paid for the year ended 31 August 2015 (2014:£NIL).

11. STAFF COSTS

	2015 £	2014 £
Wages and salaries	2,318,164	2,240,357
Social security costs	156,563	138,974
Other pension costs	<u>308,156</u>	<u>313,552</u>
	2,782,883	2,692,883
Supply teacher costs	<u>47,932</u>	<u>38,946</u>
	<u><u>2,830,815</u></u>	<u><u>2,731,829</u></u>

The average number of persons (including Senior Leadership Team) employed by the academy during the year expressed as full time equivalents was as follows:

	2015	2014
Teachers	34	35
Administration and support	35	37
Management	<u>5</u>	<u>5</u>
	<u><u>74</u></u>	<u><u>77</u></u>

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

	2015	2014
£70,001 - £80,000	<u><u>1</u></u>	<u><u>1</u></u>

One of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for this member of staff amounted to £10,723.

12. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £3,000,000 on any one claim. The cost of this insurance is £1,096.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

17. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Other operating leases	
	2015	2014
	£	£
Expiring:		
Within one year	-	6,119
Between one and five years	<u>6,263</u>	<u>12,976</u>
	<u>6,263</u>	<u>19,095</u>

18. MEMBERS' LIABILITY

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

19. MOVEMENT IN FUNDS

	At 1.9.14 £	Net movement in funds £	At 31.8.15 £
Unrestricted funds			
General fund	62,849	10,433	73,282
Restricted funds			
General	222,355	(186,250)	36,105
Fixed assets	4,876,276	(157,825)	4,718,451
Pension reserve	<u>(775,000)</u>	<u>(78,000)</u>	<u>(853,000)</u>
	4,323,631	(422,075)	3,901,556
TOTAL FUNDS	<u>4,386,480</u>	<u>(411,642)</u>	<u>3,974,838</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	22,275	(11,842)	-	10,433
Restricted funds				
General	3,243,195	(3,429,445)	-	(186,250)
Fixed assets	19,543	(177,368)	-	(157,825)
Pension reserve	<u>-</u>	<u>(39,000)</u>	<u>(39,000)</u>	<u>(78,000)</u>
	3,262,738	(3,645,813)	(39,000)	(422,075)
TOTAL FUNDS	<u>3,285,013</u>	<u>(3,657,655)</u>	<u>(39,000)</u>	<u>(411,642)</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

20. PENSION COMMITMENTS
- continued

Teachers' pension scheme

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 is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the valuations about the value of future costs, design of benefits and 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) Direction 2014. The valuation report was published by the Department for Education on 9 June 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 £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 and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed normal rate of return is 5.06%

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

The pension costs paid to TPS in the period in the period amounted to £207,635 (2014 £202,307)

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

Under the definitions set out in the 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.

The assumed real rate of return is 3.0% in excess and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed normal rate of return is 5.06%

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

20. PENSION COMMITMENTS
- continued

Local government pension scheme

The expected rate of return on plan assets is based on market expectations, at the beginning of the period, for investment returns over the entire life of the related obligation. The assumption used is the average of the following assumptions appropriate to the individual asset classes weighted by the proportion of the assets in the particular asset class.

The assumed investment return on government bonds is the yield on 20-year fixed interest gilts at the relevant date. At 31 August 2015 this yield was 2.5% p.a.

The expected investment return on corporate bonds is based on market yields at the relevant date, although this will normally vary by duration, and the expected return should also take into account the risk of default in the corporate bond yield. As at 31 August 2015 the expected return as 3.6% p.a. has been taken, which implies a reduction for the risk of default of 0.2% p.a. when compared with the corporate bond yield/discount appropriate to the "Mature" deviation profile for example.

It is generally accepted that the yield on equity investments will contain an "equity risk premium" in addition to the yield on Government bonds, which are perceived as the "least-risk" investment class, in order to compensate investors for the additional risk of holding this type of investment. Historical excess equity returns over more than 100 years have been approximately 4% p.a. on average. However, the level of equity risk premium can vary from time to time dependent on market levels and expectations for future returns. The overall expected return on equities as at 31 August 2015 has been taken as 6.5% p.a., implying an equity risk premium on equities of 4.0% p.a. over and above the gilt yield of 2.5% p.a.

Assumed returns on property are based on the expected long term returns on cash investments, plus a risk premium to allow for expected out-performance of property over cash, and an adjustment for the impact of the expected volatility of the returns.

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

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.

Amounts recognised in the statement of financial activities

	2015 £000	2014 £000
Current service cost (net of employee contributions)	117	96
Past service cost	-	-
Total operating charges	<u>117</u>	<u>96</u>

Analysis of pension finance income/(costs)

Expected return on pension scheme assets	28	29
Interest on pension liabilities	<u>(54)</u>	<u>(62)</u>
Pension finance income/(costs)	<u>(26)</u>	<u>(33)</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £68,000 loss (2014: £29,000).

Movement in the present value of defined benefit obligations were as follows:

	2014 £000	2013 £000
At 1 September		
Current service cost	1,290	1,309
Interest cost	117	96
	54	62

THE CORBET SCHOOL

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 August 2015

	2015 £	2014 £
INCOMING RESOURCES		
Voluntary income		
Grants	19,543	405,000
Activities for generating funds		
Shop income	1,624	1,569
Hire of facilities	6,695	4,429
Catering income	8,224	7,829
Reprographic sales	3,975	3,705
Recharge of services	1,439	1,451
	21,957	18,983
Investment income		
Deposit account interest	318	1,225
Incoming resources from charitable activities		
Grants	3,243,195	3,340,413
Total incoming resources	3,285,013	3,765,621
RESOURCES EXPENDED		
Fundraising trading: cost of goods sold and other costs		
Purchases	1,263	2,569
Investment management costs		
Property repairs	10,579	-
Charitable activities		
Wages	1,676,699	1,632,168
Social security	128,986	111,985
Pensions	217,217	218,044
Supply teacher costs	47,932	38,946
Educational supplies	35,683	40,047
Examination fees	48,406	47,147
Staff development	22,072	22,744
Other direct costs	42,337	40,087
Improvements to property	162,283	152,243
	2,381,615	2,303,411
Governance costs		
Wages	-	4,847
Auditors' remuneration	4,589	19,860
Auditors' remuneration for non-audit work	1,525	2,500
Legal and professional fees	1,123	1,026
	7,237	28,233
Support costs		
Management		
Support staff costs	641,465	603,342
Carried forward	641,465	603,342

This page does not form part of the statutory financial statements