

**Company Registration number:
07848338 (England and Wales)**

**Campion Academy Trust Limited
(A Company Limited by Guarantee)**

Annual report and financial statements

Year ended 31 August 2015

Campion Academy Trust

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Campion Academy Trust

Reference and Administrative Details

Governors

Trustee governors

R Crowther (Chair) * **
G Dulay **
F Durrant ***
M Feldman (resigned 31 August 2015) ** ***
S Hamilton (resigned 1 July 2015) ** ***
J Panesar (appointed 13 October 2015) ** *** +

Parent governors

J Scheuer *
J Floyd (appointed 7 October 2014) *
A Leon *
K O'Reilly *
A Stickley **
S Atkinson ***
B Friar (resigned 1 July 2015) **
P Rutland (appointed 7 October 2015) *

Elected staff governors

A Clifton (resigned 31 August 2015) *
P Gilbride (appointed 7 October 2014; resigned 28 June 2015) **
T Preston (appointed 7 October 2014) ***
T Collins (appointed 7 October 2015) ***

Co-opted governors

J Panesar (appointed 1 July 2015) ** +

Governors appointed by the Trust

G Swan (resigned 6 May 2015) **
S Ashworth **
R Broomfield ***

*Governors who sit on the Learning and Improvement Committee

**Governors who sit on the Resources Committee

***Governors who sit on the Pupils, Parents and Community Committee

+ J Panesar was co-opted as a governor and director of the charitable company on 1 July 2015. He became a governor by virtue of office as Headteacher and Accounting Officer on 1 September 2015 and was formally appointed as a trustee governor on 13 October 2015.

Company Secretary

S Horne

Senior Leadership Team

• Headteacher (up to 31 August 2015)	M Feldman
• Headteacher (from 1 September 2015)	J Panesar
• Deputy Headteacher	S Bolsover
• Deputy Headteacher	M Morris
• Assistant Headteacher	A Morris
• Assistant Headteacher	G Harrison
• Head of Post 16	P Forsey

Campion Academy Trust

Reference and Administrative Details

Principal and Registered Office

Sydenham Drive
Leamington Spa
Warwickshire
CV31 1QH

Company Registration Number

07848338

Independent Auditor

Harrison, Beale & Owen Limited
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

Bankers

Lloyds TSB
73 Parade
Leamington Spa
Warwickshire
CV32 4BB

Solicitors

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

Campion Academy Trust

Governors' Report

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

The trust operates an academy for pupils aged 11 to 18 serving a catchment area in south Leamington Spa. It has a pupil capacity of 845 and had a roll of 618 in the school census on 1 September 2015.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustee governors are also the directors of the charitable company for the purposes of company law. The charitable company is known as Campion Academy Trust and Campion School.

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

Members' Liability

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

Governors' Indemnities (see Companies Act 2006 s236)

From 1 January 2015 the Academy opted into the risk protection arrangement with the Department of Education. The arrangement included Governors' liability insurance and this is considered to qualify as third party indemnity insurance, as defined by section 234 of the Companies Act 2006.

Principal Activities

The academy trust's principal activities are specifically restricted to advance, for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Method of Recruitment and Appointment or Election of Governors

The governing body consists of up to eighteen defined members with up to three appointed by co-option and provision for the local authority to appoint one governor. Six of the Governors are parents of students who attend the school elected by the parent body to serve for a period of four years. Parents are notified via the school's newsletter that a vacancy has arisen and details of the election process. Expressions of interest are invited. Potential candidates are issued with an information pack that includes a nomination form. Ballot forms are issued on the basis of one per parent/ carer. Parents are asked to return forms to the clerk to the Governors at the school. There are four staff governors including the Headteacher who is appointed by virtue of office. The remaining staff governors are elected by the staff.

Policies and Procedures Adopted for the Induction and Training of Governors

Training and induction is provided for new Governors. This can take the form of reading induction materials provided by the Governors, participation in specific training courses, observation of aspects of the school at work, informal advice from the Chair of Governors and other governors, attendance as an observer at a Full Governing Body meeting before becoming a Governor and observation of staff training events. Relevant training and literature are disseminated to all governors regularly. All governors are provided with copies of the policies, procedures, minutes, budgets, plans and other documents necessary to undertake their role. All Governors join committees and attend full governing body meetings.

Campion Academy Trust

Governors' Report

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Structure, Governance and Management (continued)

Organisational Structure

The management structure operates on two levels and is made up of the Governors and the Senior Leadership Team. The aim of the management structure is to devolve responsibility and encourage decision making at all levels. The governors are responsible for the strategic development of the academy, adopting an annual development plan and budget, monitoring the academy by the use of budgets and management accounts and making major decisions about the direction of the academy and senior staff appointments.

To ensure an efficient and effective structure to support, monitor and evaluate the work and development of the school there are governor committees responsible for Pupils and Parents, Learning and Improvement and Resources (including Finance and Personnel). A Chairs' Steering group gives strategic and operational guidance to committees.

The Senior Leadership team consists of the Headteacher, three Deputy Headteachers, two Assistant Headteachers and a Head of Sixth Form. These leaders direct the academy at an executive level implementing the policies laid down by Governors and report back to them. The Senior Leadership Team is responsible for the authorisation of spending within agreed budgets and the appointment of staff (appointment panels for all senior positions include at least one Governor).

Middle leadership positions include: Subject Leaders, House Learning Leaders, the Business Manager and Principal Finance Officer. These members of staff implement detailed day to day operational management for their area of responsibility.

Related Parties and other Connected Charities and Organisations

There are no formal connected organisations. However, the academy has significant liaison and partnership with a range of organisations including the Local authority, the Warwickshire secondary schools Central Area Partnership, the Central Warwickshire School Sports Partnership, other local schools, universities and the Mid Counties Co-operative and the National Grid.

Objectives and Activities

Objectives and Aims

The academy trust was incorporated on 15 November 2011 and the School gained Academy status on 1 January 2012. The academy trust's main objectives during the period 1 September 2014 to 31 August 2015 were to provide the highest possible quality of education for our students.

This will include emphasis on:-

- A whole school ethos promoting the virtues of developing oneself, respecting and caring for others, understanding of the rights of all to equal opportunity and the making of a strong contribution to the wider community;
- A curriculum which develops high levels of knowledge, understanding and skills to enable our students to become reflective and fulfilled individuals, and successful, in work, as future parents and as citizens;

Governors' Report

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Objectives and Aims (continued)

- Continual improvement in the quality of teaching;
- Excellent standards in preparation of students for public examinations;
- Excellence in pastoral care, guidance, support and safeguarding;
- The provision of a wide range of curriculum enrichment opportunities;
- The provision of opportunity for our staff to enjoy, develop and lead;
- The creation of ever excellent relationships with parents; and
- Working in effective partnership with other schools, businesses and organisations in the community.

Objectives, Strategies and Activities

Priority area	Main activities
1. To enhance the professional development and capacity of staff	<ul style="list-style-type: none">• To develop the practice of senior and middle leaders in working in partnership with other schools• To increase internal leadership opportunities for middle leaders
2. To raise achievement at Key Stage 4	<ul style="list-style-type: none">• Set and work towards highly ambitious and challenging targets for key attainment and progress indicators for Year 11 pupils• Set and work towards challenging targets to raise the attainment of significant groups of Year 11 pupils
3. To raise achievement at Key Stage 5	<ul style="list-style-type: none">• Set and work towards challenging targets for key attainment indicators for Year 12 and 13 students
4. To raise achievement at Key Stage 3	<ul style="list-style-type: none">• To enhance students' basic skills through improving their capacity in literacy, numeracy and problem solving• To deliver a broad and balanced curriculum providing knowledge, understanding skills in academic, creative, technical and physical subjects• To implement tracking, monitoring of students' performance and concomitant intervention to improve it
5. To enhance the personal and social development of pupils	<ul style="list-style-type: none">• Set and work towards challenging targets for the increase of overall attendance and reduction of persistent absence• Implement an enhanced range of opportunities for student leadership and the range of curriculum enrichment opportunities for students• Further develop pastoral intervention practice and the range of support for students with personal difficulties

Campion Academy Trust

Governors' Report

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Objectives, Strategies and Activities (continued)

Priority area	Main activities
6. Teaching and Learning	<ul style="list-style-type: none">• Further develop the quality of teaching through monitoring, appraisal intervention, training and dissemination of good practice• Improve the acquisition of basic skills by key groups of pupils• Enhance the consistency of setting of homework and quality of marking and feedback to students• To implement tracking, monitoring of students' performance and concomitant intervention across the school
7. Curriculum development	<ul style="list-style-type: none">• Plan for the long term adjustment of curriculum emphasis at national level by increasing time and attention to core academic subjects and qualifications
8. Administration, Finance and Buildings	<ul style="list-style-type: none">• Develop the financial working practices necessary to thrive as an academy• To ensure an in year surplus to enable investment in above activities• To recruit pupils into the Sixth Form and year 7 up to the PAN

Public Benefit

In drafting the above statements, the trustees have complied with the duty of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission in exercising their powers or duties.

Campion Academy Trust

Governors' Report

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Strategic Report

Achievements and Performance

Report on performance in relation to principal activities of Campion Academy Trust in 2014-15

Students' Achievement: Year 11

Target	Actual performance
65% of 2015 cohort to attain at least 5 A*-C grades including English and Maths	67%
85% of the cohort to achieve 3 levels of progress in English in 2015	81%
80% of the cohort to achieve 3 levels of progress in Maths in 2015	74%
40% of the cohort to achieve 4 levels of progress in Maths	22%
55% of Pupil Premium eligible cohort to attain at least 5 A*-C grades including English and Maths	62%
80% of Pupil Premium eligible cohort to achieve 3 levels of progress in English	86%
70% of Pupil Premium eligible cohort to achieve 3 levels of progress in Maths	65%

The school set highly ambitious targets for a year group that had prior attainment on entry that was significantly below national average. This challenge was accentuated by the Department for Education's announcement in September 2013 that henceforth students' first entry only rather than best result would be valid in official performance tables in key subjects. This led to significant volatility in examination results nationally – indeed there have been substantial falls in national average attainment in 2014 and we expect the same in 2015. Given these challenges the academy regards the performance of the Year 11 cohort as excellent. The main measure of 5A*-C EM has increased significantly despite the more challenging examination environment.

Campion Academy Trust

Governors' Report

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Achievements and Performance (continued)

Students' Achievement: Post 16

Target	Actual Performance
Year 13 attain an Average Points Score per entry of at least 215 in academic qualifications	222.9
Year 13 attain an Average Points Score per entry of 235 in vocational qualifications	241.0
At least 60% of students (without Level 2 at the start of the year) attain Grade C in English and/or maths by Summer of 2014	22%
At least 60% of Year 13 cohort gain entry to higher education for 2014-15	56%

Overall Year 13 pupils achieved very highly this year. Value added, average point scores in academic and vocational qualifications have risen.

The academic value added score has significantly risen this year from +0.03 to +0.16. This shows a growing confidence in our pupils to study the academic subjects. More pupils are choosing to study academic subjects at Key Stage 4 and 5.

The average points score per entry in academic subjects (A Levels) has risen to 222 (C+). Last year this score was 206. We expect our new score to be above national average and this is again another example of the growing confidence of our pupils to study and succeed at academic subjects.

The proportion of academic students gaining Grade A*-B has risen to 51% from 30% last year. This is an excellent achievement with over 80% achieving A*-C in academic subjects. The average points score per entry in vocational subjects has remained very high over the past few years. It is currently 239 equivalent to a Distinction*/A*.

The proportion of pupils achieving A*-C in GCSE English and Maths in post 16 is poor. This area will require further investment and support.

Students' Achievement: Key stage 3

91% of pupils at Key Stage 3 have made expected progress against FFT A predictions and 83% of the pupil premium cohort have done the same. Reading tests are showing a significant improvement in the reading ages of all pupils and the Accelerated reader scheme will now be extended to all pupils in 2015-2016. Monitoring by senior leaders is showing that pupils are now experiencing greater opportunities to problem solve in Science and Maths. This is leading to improvements in all pupils' ability to tackle more challenging examination questions.

Campion Academy Trust

Governors' Report

.....continued

Achievements and Performance (continued)

Monitoring is also showing a significant improvement in pupils' written work in English, the Humanities, Science and PSRE. This has been the result of extensive teacher training on the importance of extended writing.

Quality of Teaching

Throughout the 2014-2015 period, lesson observations have shown that the quality of teaching is high at Campion. 96% of lessons observed were rated Good or Outstanding. 4% of lessons required improvement or were rated inadequate. Over 150 lessons were observed formally. Learning walks were used to inform leaders of day to day teaching and learning. These have also shown an improvement in teaching. In 2013-2014, 90% of lessons were at least good and in 2012-2013 this figure was 81%.

All observations were followed up by extensive and developmental feedback. In all instances where the quality of teaching was judged to be below expected standard the teacher was re-observed soon afterwards and given further feedback. In the small number of cases where this process did not lead to the required standard a programme of professional support was utilised.

There was considerable input during the year into teachers' professional development through: appraisal, observation, collaborative projects and formal training. A team of high quality teachers was used to coach and to disseminate good practice.

Personal and Social Development: Attendance	Actual Performance
a) Overall attendance for the first two terms is at least 95.5%	a) 95.41%
b) Overall attendance for the academic year is at least 95.5%	b) 95.3%
c) Persistent absence is under 5%	c) 4.7% (on 15% measure) 10.53% (on 10% measure in effect from September 2015)
d) Overall attendance for the academic year of students eligible for the Pupil Premium is at least 94%	d) 93.12% (excluding Year 11 after 22 nd May 2015)
e) Persistent absence of students eligible for the Pupil Premium is under 7%	e) 6.93% (on 15% absence measure excluding Year 11 after 22 nd May 2015) 15.76% (on 10% absence measure excluding Year 11 after 22 nd May 2015)

Attendance has continued to improve and the academy has made good progress towards challenging targets. This improvement was the result of a series of effective actions including promotion of the value of high attendance and substantial intervention with individual students and their families.

Campion Academy Trust

Governors' Report

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Achievements and Performance (continued)

Personal and Social Development: enrichment activity

There was an extension of careers education. During the year the school became a mainstay of the National Grid's Careers Lab national pilot – this provided an extensive development of careers education into Key Stage 3, and a large number of interactions with business ambassadors. All of our Year 10 students benefitted from two mock interviews with managers or human resources specialists from local businesses. This built on significant continued investment in independent Information, Advice and Guidance for year 11 and in the Sixth Form provided by CSWP.

All pupils in years 9 to 13 took part in a Careers Fair at Campion. Building on this, all year 10 pupils had interview experience with both National Grid and Midcounties Co-op.

During 2014-15 the school continued to provide productive activity to meet an objective of extending opportunities for curriculum enrichment. Each year group across years 7-10 experienced at least five days of creative, flexible learning activity. All students at Key stage 3 experienced at least one day of off-site learning, a significant number had several. Significant numbers of students participated in long distance visits including to Barcelona, WWI battlefields in Belgium and France and to Cumbria. In examples of intensive projects: all Post 16 students participated in formal debates on political and social issues, nearly 70 students participated in the Sports Leadership programme, over 30 students participated in the Gateway to Higher Education project, 15 students participated in the Eco-Group, 10 in the Amnesty International group, over 50 students had substantial participation in school productions or performances, over 200 students participated in internal competitive sport and over 120 in inter school competitive sport. Sixth form have had a range of UCAS based events run in house and with Warwick University.

Site Development

The Academy continued to meet its objective of improving the school environment through a large number of small scale improvements – for example significant numbers of classrooms and common areas were improved through fitting new doors, blinds, floor covering and redecoration. Further improvements to the external grounds and common areas were also prioritised and completed. Un-planned / emergency repairs and maintenance were also completed within budget. Recent extensive assessment of school buildings by the Department for Education considered the school to be well maintained given its age and the quality of the original build.

Campion Academy Trust

Governors' Report

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Key performance indicators

The governors manage the academy on a funding stream basis and employ a number of key performance indicators to monitor the expenditure requirements of the Education Funding Agency and performance or position of the academy. Other key performance indicators have been assessed within the Achievements and Performance section above.

Going concern

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

Financial Review

The academy trust's accounting period for this period of operation is 1 September 2014 to 31 August 2015. The majority of the academy trust's income continues to be obtained 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 period ended 31 August 2015 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

This year the academy has recorded net expenditure of £235,065 (2014: £157,688) and an actuarial gain of £21,000 (2014: loss £428,000). The net expenditure for the year was in line with the academy's budget. Additionally, it should be noted that the academy generated a net cash inflow from operating activities and that both the Restricted GAG fund and Unrestricted fund increased over the year. The impact of FRS17 is expanded on more fully in the reserves policy and in note 23 to the financial statements.

Reserves Policy

The level of reserves held takes into account the nature of the income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The governors will keep the level of reserves under review.

Reserves at the end of the period were £5,400,254, which included tangible fixed assets of £6,213,377 and £254,608 of unrestricted reserves. These were composed principally of a donation from the former Campion School. Reserves will be used to fund the future development of the academy.

Under Financial Reporting Standard 17, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff. This results in reducing the reserves shown in the total funds of the academy. It should be noted that this does not present the academy with any current liquidity problem. The academy is currently paying increased employer contributions to reduce this deficit.

Investment Policy

In a period of financial uncertainty and low interest rates, the academy trust's policy has been to maximise liquidity and minimise risk. This policy will be kept under review.

Campion Academy Trust

Governors' Report

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Principal Risks and Uncertainties

The principal risks to the academy are financial and result from a projected deficit on the Local Government Pension Scheme, the likelihood of the academy not meeting its budgetary targets and risks associated with changes to the funding formula. In addition there are the risks associated with fraud, damage to reputation, recruitment and maintenance of appropriately qualified staff and individuals charged with management and governance of the school, and failure to maintain academic and behavioural standards. Control measures have been put in place to mitigate all these risks.

The academy updated its risk assessment exercise in the Spring of 2015. This used a detailed process of analysing and evaluating both the likelihood and potential impact of risks in order to decide on relative significance. This was followed by decision on implementation of suitable procedures to mitigate these risks. The academy continues to remain alert to any possible risks arising from the emerging profile of the school.

The academy has a series of inspections and controls which act effectively to identify and mitigate risks – these include financial monitoring and control through an external consultant who reports to Governors, a self-evaluation of financial procedures which has been moderated by the Education Funding Agency, auditing processes, a series of external inspections of Health and Safety, external inspection by our insurers and the work of Ofsted. Governors receive reports of this activity regularly. The academy has an effective series of internal financial controls which are explained in more detail elsewhere in this report.

Risk is a regular item for discussion at Governors' meetings. A further in depth review is scheduled in 2016.

Plans for future periods

Key targets for the school in 2015-16 include:

Priority	Key performance criteria
Leadership and Management: To create a culture that enables pupils and staff to excel	i) Leadership and management is outstanding
	ii) All senior leaders achieve a significant enhancement in leadership capacity
	iii) The implications of the new Ofsted framework are disseminated to all senior leaders, governors and staff
	iv) 100% of staff have new performance management targets established including TLR and UPS responsibilities
Teaching, learning and assessment	i) Teaching, learning and assessment are outstanding
	ii) Work trawls, lesson observations and learning walks are used to assess teaching and learning throughout the school
	iii) The training programme for all teachers provides high quality professional development that leads to outstanding learning outcomes
	iv) 100% of staff are trained in new assessment and reporting policy
	v) All pupils received homework as required by the new homework timetable

Campion Academy Trust

Governors' Report

.....continued

Plans for future periods (continued)

Priority	Key performance criteria
Personal development, behaviour and welfare	<ul style="list-style-type: none">i) Personal development, behaviour and welfare are outstandingii) Overall attendance for the academic year is at least 95%iii) Overall attendance for students eligible for the pupil premium is 94%iv) 100% of pupils receive outstanding careers guidancev) Persistent absence is under 5% (under the 15% measure)
Outcomes for pupils	<ul style="list-style-type: none">i) Outcomes for all pupils are outstanding. Progress 8 score is above 0.3ii) 70% of Year 11 pupils achieve A*-C in English and Maths. 100% of pupils make expected progress in English and Mathsiii) 100% of pupils at Key stage 3 who are below expected levels of attainment in English and Maths receive additional supportiv) 100% of Year 12 and 13 pupils make progress above their minimum target gradesv) 100% of disadvantaged pupils make progress above their progress 8 grades in English and Maths
The effectiveness of Post 16	<ul style="list-style-type: none">i) The effectiveness of 16-19 study programmes is outstandingii) 75% of pupils entering post 16 without C grades in GCSE English and Maths make one grade progress in Year 12 and one grade progress in Year 13. Year 13 attain an Average Points Score per entry of at least 215 in academic qualifications and 235 in vocational qualificationsiii) 100% of post 16 teachers receive appropriate teacher training to enhance their effectiveness as 6th form teachersiv) 100% of post 16 teachers use the new assessment policy enhance outcomes for pupils
Finance, building and administration	<ul style="list-style-type: none">i) By July 2016 an effective plan is in place to achieve a balanced budget by 2018

Campion Academy Trust

Governors' Report

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Funds held as Custodian Trustee on behalf of others

The academy trust holds no funds on behalf of others as custodian trustee.

Auditor

Insofar as the governors are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

The governors' report, incorporating a strategic report, was approved by order of the governing body, as the company's directors, on 9 December 2015 and signed on the governing body's behalf by:



R Crowther
Chair

Campion Academy Trust

Governance Statement

Scope of Responsibility

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

The governing body has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Campion Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' responsibilities. The governing body has formally met 4 times during the period. Attendance during the year at meetings of the governing body was as follows:

Governor	Meetings attended	Out of a possible
R Crowther (Chairman)	4	4
F Durrant (Vice Chair)	4	4
G Dulay	2	4
M Feldman (resigned 31 August 2015)	4	4
S Ashworth	4	4
S Atkinson	4	4
R Broomfield	1	4
A Clifton (resigned 31 August 2015)	1	4
J Floyd (appointed 7 October 2014)	4	4
B Friar (resigned 1 July 2015)	1	3
P Gilbride (appointed 7 October 2014; resigned 28 June 2015)	1	3
G Swan (resigned 6 May 2015)	0	3
S Hamilton (resigned 1 July 2015)	3	4
A Leon	4	4
K O'Reilly	4	4
A Stickley	3	4
T Preston (appointed 7 October 2014)	2	4
J Scheuer	4	4
J Panesar (appointed 1 July 2015)	1	1

The governors wish to record their thanks to Mark Feldman who retired as Headteacher on 31 August 2015 after 11 years' service at Campion School. Mark was firmly committed to improving opportunities for the children in the area and led the school through a period of significant and sustained improvement, including conversion to academy status and high attainment in external examinations. Jassa Panesar, former Deputy Headteacher, was appointed to succeed Mr Feldman and the governors wish him every success.

Campion Academy Trust

Governance Statement

.....continued

Governance reviews

In October 2014 the school was inspected by Ofsted, which concluded that the governors of the school were effective, with an accurate view of the school's strengths and weaknesses and sound financial planning to ensure resources were used well. A further self-evaluation is planned for early 2016, following a recommendation from the Chairs' Steering group.

The Resources Committee is a sub-committee of the main governing body. Its purpose is to monitor the finances of the academy trust and make recommendations to the Governors. Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
S Ashworth (Chair)	2	6
R Crowther	6	6
G Dulay	4	6
M Feldman (resigned 31 August 2015)	6	6
S Hamilton (resigned 1 July 2015)	1	6
A Stickley	4	6
B Friar (resigned 1 July 2015)	0	6
P Gilbride (appointed 7 October 2014; resigned 28 June 2015)	3	5
G Swan (resigned 6 May 2015)	0	4

Review of Value for Money

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

The Accounting Officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the governing body where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the academy trust has delivered improved value for money during the year by:

- Where possible, existing staff members have been redeployed to fill vacancies and this has ensured a very effective use of existing resources rather than increasing staffing numbers. This has not affected teaching, learning or achievement.
- The academy uses knowledge of curriculum change in order to save resources for future investments. An example of this has been where the academy has deferred plans to invest in new computer equipment and decided to extend the life of existing equipment. This decision has been made in the knowledge that due to future curriculum changes the need for ICT equipment will reduce in the school and further investment will be required in core academic subject areas.
- During the 2014-2015 period the academy has made significant savings by becoming a member of the EFA's Risk Protection Arrangements. In previous years we have taken out insurance via a commercial provider.

Campion Academy Trust

Governance Statement

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Review of Value for Money (cont'd)

During the 2015-2016 period the academy intends to further ensure value for money by initiating weekly business meetings attended by the Headteacher, Principal Finance Officer, HR manager and Business manager. This will ensure robust three year financial planning through greater co-ordination by key leaders.

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 Campion Academy Trust for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal 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 Governing Body.

The Risk and Control Framework

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

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

Campion Academy Trust

Governance Statement

.....continued

The Risk and Control Framework (continued)

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed K Hanlan, as Independent Examiner. The Independent Examiner'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 income streams
- testing of banking procedures and the use of credit cards;
- testing of payroll and HR procedures;
- testing of monthly reporting procedures

On a termly basis, the Independent Examiner reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. There were no material control issues arising as a result of the Independent examiner's work.

Review of Effectiveness

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

- the work of the Independent Examiner;
- the work of the External Auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Resources committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 9 December 2015 and signed on its behalf by:

Signed



R Crowther
Chair

Signed



J Panesar
Accounting Officer

Campion Academy Trust

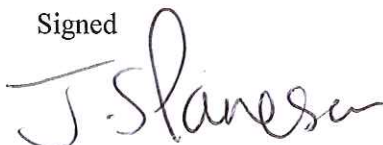
Statement on Regularity, Propriety and Compliance

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

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

Signed

A handwritten signature in black ink, appearing to read 'J. Panesar', written over a horizontal line.

J Panesar
Accounting Officer

Campion Academy Trust

Statement of Governors' Responsibilities

The governors (who act as trustees for charitable activities and are also directors of Campion Academy Trust Limited for the purposes of company law) are responsible for preparing the Governors' 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 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 charitable company and of the incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the governors are required to:

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

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

The governors 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 good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Governing Body on 9 December 2015 and signed on its behalf by:

Signed



R Crowther
Chair

Campion Academy Trust

Independent Auditor's Report to the members of Campion Academy Trust Limited

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

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

Respective responsibilities of governors and auditor

As explained more fully in the Statement of Governors' Responsibilities set out on page 20, the governors (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

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

Campion Academy Trust

Independent Auditor's Report to the members of Campion Academy Trust Limited

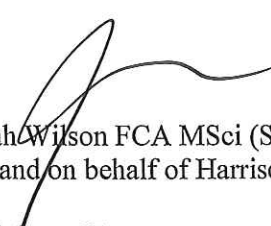
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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



Sarah Wilson FCA MSci (Senior Statutory Auditor)
For and on behalf of Harrison, Beale & Owen Limited

Highdown House
11 Highdown Road
Leamington Spa
CV31 1XT

9 December 2015

Campion Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Campion Academy Trust Limited and the Education Funding Agency

In accordance with the terms of our engagement letter dated 27 October 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 Campion Academy Trust during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Campion Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Campion Academy Trust's funding agreement with the Secretary of State for Education dated 9 December 2011 and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the 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.

Campion Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Campion Academy Trust Limited and the Education Funding Agency

The work undertaken to draw our conclusions included:

- understanding the basis on which the Accounting Officer has made their statement on Regularity, Propriety and Compliance;
- considering (based on our understanding of the academy's internal controls) the risk of irregular transactions occurring;
- considering the evidence obtained by us to support the audit opinion; and
- conducting further substantive procedures as we considered to be appropriate.

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.



Harrison, Beale & Owen Limited
Highdown House
11 Highdown Road
Leamington Spa
CV31 1XT

9 December 2015

Campion Academy Trust

Statement of Financial Activities for the year ended 31 August 2015

(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Year to 2015 £	Total Year to 2014 £
Incoming resources						
Incoming resources from generated funds:						
Voluntary income	2	-	10,935	-	10,935	7,952
Activities for generating funds	3	16,209	88,910	-	105,119	90,456
Investment income	4	712	-	-	712	811
Income resources from charitable activities:						
Funding for the academy trust's educational operations	5	-	3,853,715	14,502	3,868,217	3,949,687
Total incoming resources		16,921	3,953,560	14,502	3,984,983	4,048,906
Resources expended						
Charitable activities:						
Academy trust educational operations	7	1,525	4,025,288	162,727	4,189,540	4,172,866
Governance costs	8	-	30,508	-	30,508	33,728
Total resources expended		1,525	4,055,796	162,727	4,220,048	4,206,594
Net incoming/(outgoing) resources before transfers		15,396	(102,236)	(148,225)	(235,065)	(157,688)
Gross transfers between funds	15	-	(10,137)	10,137	-	-
Net income/(expenditure) for the year/period		15,396	(112,373)	(138,088)	(235,065)	(157,688)
Other recognised gains and losses						
Actuarial gains/ (losses) on defined benefit pension schemes	23	-	21,000	-	21,000	(428,000)
Net movement in funds		15,396	(91,373)	(138,088)	(214,065)	(585,688)
Reconciliation of funds						
Total funds brought forward at 1 September 2014		239,212	(976,358)	6,351,465	5,614,319	6,200,007
Total funds carried forward at 31 August 2015		254,608	(1,067,731)	6,213,377	5,400,254	5,614,319

All of the academy's activities derive from continuing operations in the current and prior financial year.

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

Campion Academy Trust

Balance Sheet as at 31 August 2015

		2015		2014	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		6,198,875		6,337,492
Current assets					
Debtors	13	128,100		132,865	
Cash at bank and in hand		<u>503,699</u>		<u>472,426</u>	
		631,799		605,291	
Creditors: Amounts falling due within one year	14	<u>(109,420)</u>		<u>(65,464)</u>	
Net current assets			<u>522,379</u>		<u>539,827</u>
Total assets less current liabilities			6,721,254		6,877,319
Net assets excluding pension liability			<u>6,721,254</u>		<u>6,877,319</u>
Pension scheme liability	23		(1,321,000)		(1,263,000)
Net assets including pension liability			<u>5,400,254</u>		<u>5,614,319</u>
Funds of the academy:					
Restricted income funds					
Fixed asset funds	15		6,213,377		6,351,465
General fund	15		253,269		286,642
Pension reserve	15		<u>(1,321,000)</u>		<u>(1,263,000)</u>
Total restricted funds			<u>5,145,646</u>		<u>5,375,107</u>
Unrestricted funds					
General fund	15		<u>254,608</u>		<u>239,212</u>
Total unrestricted funds			<u>254,608</u>		<u>239,212</u>
Total funds			<u>5,400,254</u>		<u>5,614,319</u>

The financial statements on page 25 to 46 were approved by the Governors and authorised for issue on 9 December 2015 and are signed on their behalf by:

Signed

R Crowther
Chair

Campion Academy Trust

Cash flow statement for the year ended 31 August 2015

	Notes	Year to 2015 £	Year to 2014 £
Net cash inflow from operating activities	18	40,169	29,267
Returns on investments and servicing of finance	19	712	811
Capital expenditure	20	(9,608)	(11,617)
Increase in cash in the period	21	<u>31,273</u>	<u>18,461</u>
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2014		472,426	453,965
Net funds at 31 August 2015		<u>503,699</u>	<u>472,426</u>

Campion Academy Trust

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

1. Statement of Accounting Policies

Basis of Preparation

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

Going Concern

The governors 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 governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

Incoming Resources

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

- **Grants receivable**

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

- **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 it 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 academy trust's accounting policies.

Campion Academy Trust

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

.....continued

1. Statement of Accounting Policies (continued)

- **Fixed assets donated on conversion to an academy trust**

Certain fixed assets were transferred from the governors on conversion to an Academy on 1 January 2012 and are recognised on the following bases,

- School buildings – recognised at depreciated replacement cost
- Furniture, equipment and computer equipment – at existing use value

- **Investment income**

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

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.

- **Cost of generating funds**

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

- **Charitable activities**

These are costs incurred on the academy trust's educational operations.

- **Governance Costs**

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

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £1,500 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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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:

Campion Academy Trust

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

.....continued

1. Statement of Accounting Policies (continued)

Long leasehold buildings	2%
Fixtures, fittings and equipment	20%
Computer equipment	33.33%

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

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

Leased Assets

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

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 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.

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 23, 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 defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Campion Academy Trust

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

.....continued

1. Statement of Accounting Policies (continued)

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the governors.

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

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

2. Voluntary Income	Unrestricted Funds	Restricted Funds	Total year to 2015	Total year to 2014
	£	£	£	£
Other donations	-	10,935	10,935	7,952
	-	10,935	10,935	7,952

3. Activities for Generating Funds	Unrestricted Funds	Restricted Funds	Total year to 2015	Total year to 2014
	£	£	£	£
Hire of facilities	16,046	-	16,046	17,212
Academy trips	-	71,935	71,935	53,059
Music tuition	-	4,681	4,681	6,231
Other income	163	12,294	12,457	13,954
	16,209	88,910	105,119	90,456

4. Investment Income	Unrestricted Funds	Restricted Funds	Total year to 2015	Total year to 2014
	£	£	£	£
Short term deposits	712	-	712	811
	712	-	712	811

Campion Academy Trust

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

.....continued

5. Funding for Academy's educational operations	Unrestricted Funds	Restricted Funds	Total year to 2015	Total year to 2014
	£	£	£	£
DfE/EFA capital grants	-	14,502	14,502	13,973
Academy capital grants	-	14,502	14,502	13,973
DfE/EFA revenue grants				
General Annual Grant	-	3,446,173	3,446,173	3,568,930
Other DfE/EFA grants	-	198,695	198,695	207,890
	-	3,644,868	3,644,868	3,776,820
Other Government grants				
Local Authority grants	-	110,691	110,691	59,719
Special educational projects	-	98,156	98,156	99,175
	-	208,847	208,847	158,894
	-	3,868,217	3,868,217	3,949,687

Campion Academy Trust

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

.....continued

6. Resources Expensed

	Staff costs	Non-pay expenditure Premises	Other costs	Total year to 2015	Total year to 2014
	£	£	£	£	£
Academy's educational operations					
- Direct costs	2,615,029	112,083	499,004	3,226,116	3,238,080
- Allocated support costs	620,777	88,600	254,047	963,424	934,786
	3,235,806	200,683	753,051	4,189,540	4,172,866
Governance costs including allocated support costs	2,141	-	28,367	30,508	33,728
	3,237,947	200,683	781,418	4,220,048	4,206,594

Incoming/outgoing resources for the year include

	2015 £	2014 £
Operating leases:		
- equipment	12,208	8,158
Fees payable to auditor for:		
- audit	4,500	4,500
- other services	2,500	2,200

Campion Academy Trust

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

.....continued

7. Charitable Activities – Academy's educational operations	Unrestricted Funds	Restricted Funds	Total year to 2015	Total year to 2014
	£	£	£	£
Direct costs – educational operations				
Teaching and educational support staff costs	-	2,615,029	2,615,029	2,690,507
Depreciation	-	162,727	162,727	167,440
Educational supplies	-	332,098	332,098	274,628
Examination fees	-	69,599	69,599	64,919
Staff development	-	13,021	13,021	12,755
Educational consultancy	-	23,589	23,589	16,247
Other direct costs	-	10,053	10,053	11,584
	-	3,226,116	3,226,116	3,238,080
Support costs – educational operations				
Support staff costs	1,436	619,341	620,777	603,736
Recruitment and support	-	996	996	2,932
Maintenance of premises and equipment	-	88,600	88,600	84,082
Cleaning	-	11,329	11,329	15,002
Rent and rates	-	27,160	27,160	20,454
Insurance	-	11,939	11,939	14,935
Security and transport	-	14,927	14,927	7,366
Catering	-	28,949	28,949	31,518
Bank interest and charges	89	-	89	89
Other support costs	-	158,658	158,658	154,672
	1,525	961,899	963,424	934,786
Total direct and support costs	1,525	4,188,015	4,189,540	4,172,866
8. Governance costs	Unrestricted Funds	Restricted Funds	Total year to 2015	Total year to 2014
	£	£	£	£
Legal and professional fees	-	21,367	21,367	24,830
Auditor's remuneration	-			
Audit of financial statements	-	4,500	4,500	4,500
Other audit costs	-	2,500	2,500	2,200
Support staff costs	-	2,141	2,141	2,198
	-	30,508	30,508	33,728

Campion Academy Trust

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

.....continued

9. Staff costs	Year to 2015 £	Year to 2014 £
Staff costs during the period were		
Wages and salaries	2,577,686	2,655,943
Social security costs	182,790	189,431
Pension costs	451,403	432,754
	<u>3,211,879</u>	<u>3,278,128</u>
Supply staff costs	26,068	18,313
	<u>3,237,947</u>	<u>3,296,441</u>

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

Staff numbers	2015 No.	2014 No.
Charitable Activities		
Teachers	40	42
Administration and support	44	45
Management	7	7
	<u>91</u>	<u>94</u>
Higher paid staff		
The number of employees whose emoluments exceeded £60,000 was:		
	2015 No.	2014 No.
£70,001 - £80,000	-	1
£80,001 - £90,000	<u>1</u>	<u>-</u>

The employee above participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for this member of staff amounted to £11,829 (2014: £11,150).

10. Related Party Transactions - Governors' remuneration and expenses

One or more governors has been paid remuneration or has received benefits from an employment with the academy trust. The Principal and other staff governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as governors. The value of governors' remuneration and other benefits was as follows:

M Feldman (principal and governor):

Remuneration £80,000 - £85,000 (2014: £75,000 - £80,000)

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

J Panesar (staff governor):

Remuneration £10,000 - £15,000 (2014: £Nil)

Employer's pension contributions £0 - £5,000 (2014: £Nil)

A Clifton (staff governor):

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

Employer's pension contributions £0 - £5,000 (2014: £0 - £5,000)

Campion Academy Trust

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

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10. Related Party Transactions - Governors' remuneration and expenses (continued)

P Gilbride (staff governor):

Remuneration £35,000 - £40,000 (2014: £Nil)

Employer's pension contributions £5,000 - £10,000 (2014: £Nil)

T Preston (staff governor):

Remuneration £25,000 - £30,000 (2014: £Nil)

Employer's pension contributions £0 - £5,000 (2014: £Nil)

N Hawkins (staff governor):

Remuneration £Nil (2014: £40,000 - £45,000)

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

L Reid (staff governor):

Remuneration £Nil (2014: £30,000 - £35,000)

Employer's pension contributions £Nil (2014: £0 - £5,000)

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

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

11. 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 £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was £235 (2014: £706).

From 1 January 2015 the academy entered into the EFA's Risk Protection Arrangements and these arrangements include protection for governors and officers of the academy. No separately identifiable premium for governors' and officers' protection is available for disclosure under these arrangements.

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

Campion Academy Trust

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

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12. Tangible Fixed Assets

	Leasehold Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Total £
Cost or valuation				
At 1 September 2014	6,537,906	123,797	105,303	6,767,006
Additions	-	6,185	17,925	24,110
Disposals	-	-	-	-
At 31 August 2015	6,537,906	129,982	123,228	6,791,116
Depreciation				
At 1 September 2014	298,887	58,104	72,523	429,514
Charged in period	112,083	25,653	24,991	162,727
Disposals	-	-	-	-
At 31 August 2015	410,970	83,757	97,514	592,241
Net book values				
At 31 August 2015	6,126,936	46,225	25,714	6,198,875
At 31 August 2014	6,239,019	65,693	32,780	6,337,492

Campion Academy Trust

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

.....continued

13. Debtors	2015	2014
	£	£
Trade debtors	3,871	8,322
Prepayments and accrued income	101,528	89,960
VAT recoverable	22,701	34,583
	<u>128,100</u>	<u>132,865</u>
 14. Creditors: amounts falling due within one year	 2015	 2014
	£	£
Trade creditors	37,893	7,541
Accruals and deferred income	71,527	57,923
	<u>109,420</u>	<u>65,464</u>
 Deferred income	 2015	
	£	
Deferred income at 1 September 2014	32,205	
Resources deferred in the period	44,973	
Amounts released from previous periods	(32,205)	
Deferred income at 31 August 2015	<u>44,973</u>	

Deferred income includes grant income of £26,183 and other income of £18,790 that the Academy has received or invoiced in advance of entitlement of receipt.

Campion Academy Trust

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

.....continued

15. Funds

	Balance at 1 September 2014 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2015 £
Restricted general funds					
General Annual Grant (GAG)	230,384	3,446,173	(3,471,616)	(14,292)	190,649
Other DfE/EFA/ Other government grants	37,141	407,542	(403,930)	-	40,753
General fund	19,117	99,845	(101,250)	4,155	21,867
Pension reserve	(1,263,000)	-	(79,000)	21,000	(1,321,000)
	(976,358)	3,953,560	(4,055,796)	10,863	(1,067,731)
Restricted fixed asset funds					
DfE/EFA capital grants	13,973	14,502	-	(13,973)	14,502
Capital expenditure from GAG	71,272	-	(37,971)	24,110	57,411
Assets transferred from predecessor school	6,266,220	-	(124,756)	-	6,141,464
	6,351,465	14,502	(162,727)	10,137	6,213,377
Total restricted funds	5,375,107	3,968,062	(4,218,523)	21,000	5,145,646
Unrestricted funds					
Unrestricted funds	239,212	16,921	(1,525)	-	254,608
Total unrestricted funds	239,212	16,921	(1,525)	-	254,608
Total funds	5,614,319	3,984,983	(4,220,048)	21,000	5,400,254

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

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/EFA/ Other government grants represent surplus funds, most of which were inherited from the predecessor school, which will be used on specific projects in future years.

The general fund represents the general funds held within the Academy's voluntary and other funds.

The pension reserve represents the Academy's share of the LGPS pension fund deficit.

The restricted fixed asset funds are not available for spending as they represent the net book value of fixed assets transferred from the predecessor school and subsequent additions thereto. Future depreciation will be charged against these funds.

Unrestricted funds include surpluses transferred on academy conversion, to be spent at the discretion of the governors.

Campion Academy Trust

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

.....continued

16. Analysis of net assets between funds

Fund balances at 31 August 2015 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	6,198,875	6,198,875
Current assets	254,608	362,689	14,502	631,799
Current liabilities	-	(109,420)	-	(109,420)
Pension scheme liability	-	(1,321,000)	-	(1,321,000)
Total net assets	254,608	(1,067,731)	6,213,377	5,400,254

17. Financial commitments

Operating leases

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

	2015 £	2014 £
Other		
Expiring within one year	-	3,207
Expiring within two and five years inclusive	12,208	4,204
	<u>12,208</u>	<u>7,411</u>

18. Reconciliation of net income to net cash inflow from operating activities

	2015 £	2014 £
Net expenditure	(235,065)	(157,688)
Depreciation (note 12)	162,727	167,440
Capital grants from DfE and other capital income	(14,502)	(13,973)
Interest receivable (note 4)	(712)	(811)
FRS 17 pension cost less contributions payable (note 23)	51,000	46,000
FRS 17 pension finance income (note 23)	28,000	24,000
Decrease/ (Increase) in debtors	4,765	(38,840)
Increase in creditors	43,956	3,139
Net cash provided by operating activities	40,169	29,267

Campion Academy Trust

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

.....continued

19. Returns on investments and servicing of finance	2015 £	2014 £
Interest received	712	811
Net cash inflow from returns on investment and servicing of finance	712	811

20. Capital expenditure and financial investment	2015 £	2014 £
Purchase of tangible fixed assets	(24,110)	(25,590)
Capital grants from DfE/EFA	14,502	13,973
Net cash outflow from capital expenditure and financial investment	(9,608)	(11,617)

21. Analysis of changes in net funds	At 1 September 2014 £	Cash flows £	At 31 August 2015 £
Cash in hand and at bank	472,426	31,273	503,699
Total cash and cash equivalents	472,426	31,273	503,699

22. Members' Liability

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

23. Pension and similar obligations

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

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

Campion Academy Trust

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

.....continued

23. Pension and similar obligations Teachers' Pension Scheme (continued)

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

Valuation of the Teachers' Pensions 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 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 £240,658 (2014: £246,421).

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

Under the definitions set out in Financial Reporting Standard (FRS17) 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.

Campion Academy Trust

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

.....continued

23. Pension and similar obligations

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2015 was £168,258 of which employer's contributions totalled £131,745 and employees' contributions totalled £36,513. The agreed contribution rates for future years are 20.8% for employers and 5.5% to 7.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

During 2014 the academy entered into an agreement with the trustees of the scheme to make further deficit contributions in addition to normal funding levels, The rate relating to the deficit repayment is 5.7% based on a recovery period of 19 years.

Principal Actuarial Assumptions	At 31 August 2015	At 31 August 2014
Rate of increase in salaries	4.60%	4.50%
Rate of increase for pensions in payment/inflation	2.70%	2.70%
Discount rate for scheme liabilities	3.80%	3.70%
Commutation of pension to lump sums	50%	50%

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

	At 31 August 2015	At 31 August 2014
Retiring today		
Males	22.4	22.4
Females	24.4	24.4
Retiring in 20 years		
Males	24.3	24.3
Females	26.6	26.6

Campion Academy Trust

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

.....continued

23. Pension and similar obligations

Local Government Pension Scheme (continued)

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

	Expected Return at 31 August 2015	Fair value at 31 August 2015 £	Expected Return at 31 August 2014	Fair value at 31 August 2014 £
Equities	3.80%	778,000	6.30%	688,000
Bonds	3.80%	280,000	3.40%	213,000
Property	3.80%	146,000	4.50%	101,000
Cash	3.80%	12,000	3.30%	10,000
Total market value of assets		1,216,000		1,012,000
Present value of scheme liabilities				
- Funded		(2,537,000)		(2,275,000)
Deficit in the scheme		(1,321,000)		(1,263,000)

The actual return on scheme assets was £44,000 (2014: £134,000).

Amounts recognised in the statement of financial activities

	2015 £	2014 £
Current service cost (net of employee contributions)	180,000	158,000
Past service cost	-	-
Total operating charge	144,000	158,000

Analysis of pension finance income/(costs)

Expected return on pension scheme assets	60,000	62,000
Interest on pension liabilities	(88,000)	(86,000)
Pension finance income/(costs)	(28,000)	(24,000)

Campion Academy Trust

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

.....continued

23. Pension and similar obligations

Local Government Pension Scheme (continued)

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 £430,000 loss (2014: £451,000 loss).

Movements in the present value of defined benefit obligations were as follows:	2015 £	2014 £
At 1 September	2,275,000	1,767,000
Current service cost	180,000	158,000
Interest cost	88,000	86,000
Employee contributions	36,000	36,000
Actuarial (gain)/ loss	(37,000)	231,000
Benefit paid	(7,000)	(3,000)
Past Service cost	-	-
Curtailments and settlements	2,000	-
At 31 August	2,537,000	2,275,000
Movements in the fair value of academy's share of scheme assets:	2015 £	2014 £
At 1 September	1,012,000	1,002,000
Expected return on assets	60,000	62,000
Actuarial loss	(16,000)	(197,000)
Employer contributions	131,000	112,000
Employee contributions	36,000	36,000
Benefits paid	(7,000)	(3,000)
At 31 August	1,216,000	1,012,000

The estimated value of employer contributions for the year ended 31 August 2016 is £137,000.

The five year history of experience adjustments is as follows:	Year ended 31.08.2015 £	Year ended 31.08.2014 £	Year ended 31.08.2013 £	8 months ended 31.08.2012 £
Present value of defined benefit obligations	(2,537,000)	(2,275,000)	(1,767,000)	(1,473,000)
Fair value of share of scheme assets	1,216,000	1,012,000	1,002,000	709,000
Deficit in the scheme	(1,321,000)	(1,263,000)	(765,000)	(764,000)
Experience adjustments on share of scheme assets:				
(Losses)/ Gains	(16,000)	(197,000)	97,000	18,000
Experience adjustments on scheme liabilities:				
Gains/ (Losses)	37,000	(231,000)	(46,000)	(92,000)

Campion Academy Trust

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

.....continued

23. Pension and similar obligations

Local Government Pension Scheme (continued)

Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are:

Change in assumptions at 31 August 2015:	Approximate % increase to Employer Liability	Approximate monetary amount (£)
0.5% decrease in real discount rate	14%	312,000
1 year increase in member life expectancy	3%	68,000
0.5% increase in the salary increase rate	7%	153,000
0.5% increase in pension increase rate	7%	149,000

For the 2014 year end accounts the actuary used different assumptions to the 2013 year end, as disclosed in the prior year accounts, the application of which resulted in a loss of £270,000 recognised for the prior year as an actuarial loss within the Statement of Financial Activities.

It must be appreciated in accordance with the Charity Commission publication, 'Charity Reserves and Defined Pension Schemes' that where, under FRS 17, a charity discloses a significant pension fund deficit, this does not mean that an immediate liability for this amount crystallises. Similarly, where a pension surplus is disclosed this does not create an immediately realisable asset that can be released straight away and expended on the purposes of the charity. In particular, the disclosure of a pension liability does not mean that an equivalent amount is already committed and is no longer available to the governors to further the charity's objectives.

24. Related Party Transactions

Owing to the nature of the academy trust's operations and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which a member of the board of governors 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. The following related party transactions took place in the period of account:

M Feldman, son of the Headteacher and Accounting Officer, was employed on a fixed term employment contract. The cost to the academy within staff costs, including gross salary, employer's national insurance and pension contributions was £915 (2014: £6,968).

R Feldman, spouse of the Headteacher and Accounting Officer, was employed on a fixed term employment contract. The cost to the academy within staff costs, including gross salary, employer's national insurance and pension contributions was £4,932 (2014: £Nil)

Both appointments were made in accordance with the EFA's Financial Handbook and the academy's internal procedures.